NORTHERN ILLINOIS UNIVERSITY
Northern Illinois Center for Nonprofit Excellence

2024 Snapshot of the Nonprofit Sector in Key Northern Illinois Counties

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This report has been prepared by the Region 1 Planning Council Community Impact Team

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Executive Summary

The Northern Illinois Center for Nonprofit Excellence (NICNE) produces a triennial *State of the Nonprofit Sector* report, which collects, analyzes, and disseminates regional data to inform local strategic planning and decision-making, and highlights the value of the nonprofit sector. This comprehensive report details summary statistics on nonprofit organizational characteristics in Winnebago and Boone Counties, covering topics such as governance, financial management, employee hiring/retention, and collaboration. The *2024 Snapshot of the Nonprofit Sector* report serves as an intermediary glance at the Northern Illinois nonprofit sector following the latest triennial report, published in 2023. This report highlights the results of analysis conducted on a survey administered during the summer of 2024, directed at regional nonprofit institutions, reviewing pertinent questions on personnel, financial management, executive leadership, and the impact of recent legislation, and economic change.

The survey, open between August and September 2024, received 64 completed, validated responses that were used in the analysis. It consisted of targeted questions that hone in on the impact of current events and trends, rather than develop a comprehensive overview of the current state of the nonprofit sector.

Several tenable themes emerged throughout the analysis. Firstly, financial pressures were a chief concern amongst organizations with many citing negative impacts due to inflation – in fact, nearly 90% of organizations indicated that inflation has affected their financial stability. In addition, a 70% majority of organizations desired more funding for operations. Finding and retaining qualified staff in a competitive labor force was another common concern among the organizations surveyed, with nearly 70% of them citing that paying competitive wages was a primary challenge. Finally, nearly 70% of organizations desired that their board of directors be more involved in fundraising and that fundraising expertise was a priority skill that has been difficult to find in members of the board.

Overall, the current state of the nonprofit sector can be characterized as anticipatory, as organizations brace for the impending ripple effects of inflation, and nonprofits are uncertain of what the future will hold. The evolving economic landscape is driving nonprofits to navigate through a period of uncertainty, carefully adapting and strategizing for potential impacts on their funding, operations, and ability to fulfill their missions.

The Region at a Glance

Winnebago and Boone Counties are two key regions in Northern Illinois. They offer a unique blend of rural landscapes and urban centers, creating a diverse and dynamic environment. According to the US Census Bureau's Population Estimates Program, the populations of Winnebago and Boone Counties are 282,188 and 53,154, respectively (United States Census Bureau, 2022), making them the urban centers of Northern Illinois. Nearby Ogle and Stephenson Counties have populations of 51,265 and 43,105 and are the more rural counties in Northern Illinois.

In 2023, the Internal Revenue Service (IRS) recognized approximately 1.8 million 501(c) organizations across the United States (Internal Revenue Service, 2024). Of these, about 1.5 million fall under the 501(c)(3) classification - religious, charitable, and similar organizations. Illinois, in particular, has 73,731 nonprofit organizations, totaling around $150 billion in revenue, and 56,054 of them fall under the 501(c)(3) classification (Suozzo et al., 2024). Locally, Winnebago County has 2,251 registered nonprofits, while Boone County has 300 (Illinois Nonprofit Organizations by County, 2024). Finally, two other Northern Illinois counties represented in this report – Ogle and Stephenson County – have 428 and 421 nonprofits, respectively.

Methodology and Data Validation

Between August 1st and September 6th, 2024, 104 local nonprofit organization executives submitted responses to the survey. Partial responses were removed from this sample due to a lack of data and the potential for duplicate responses, yielding an overall sample size of 64 completed and validated results. Analysts reviewed responses individually to ensure logical consistency and thoughtfulness in answer selections, adding an additional layer of data validation. Many of the questions allowed for multiple answers in a 'check all that apply'-style format. Therefore, for many of the questions, data values are displayed as an overall percentage of respondents, indicating the number of respondents selecting that particular option out of the entire sample.

The data is visualized in maps, bubble charts, pie charts, tree maps, and heat maps. In some cases, analysts investigated the relationship between two questions in the survey to see how the answers relate to each other. The results of these analyses provide additional insights into potential correlations that exist between the survey questions.

Survey Results

Survey results are presented in sections corresponding to those in the survey. For the exact wording of the questions and answers, see Appendix A.

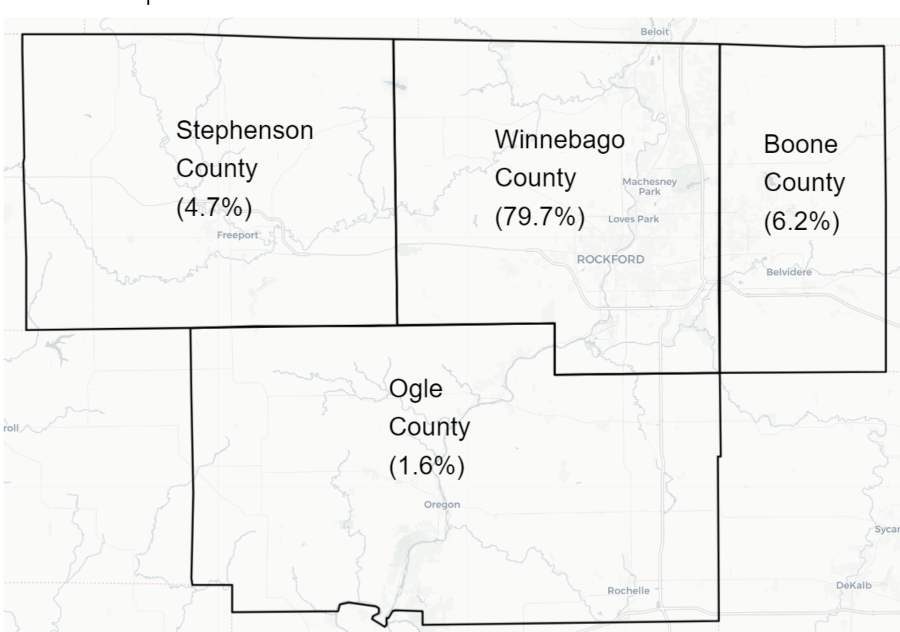
Organizational Demographics

The first section of the survey asked questions related to finding out the overall demographics of nonprofit organizations in Northern Illinois, including the main counties served, service sectors, and sizes of the organization.

Counties Served

Across the four major counties surveyed, Winnebago County, which includes the city of Rockford, has the largest population. The majority of survey respondents indicated that they represent organizations in Winnebago County. Figure 1.1 below highlights the distribution of organizations in the survey by county, with nearly 80% from Winnebago, followed by surrounding counties Boone (6.2%), Stephenson (4.7%), and Ogle (1.6%).

Figure 1.1: Counties Served Map

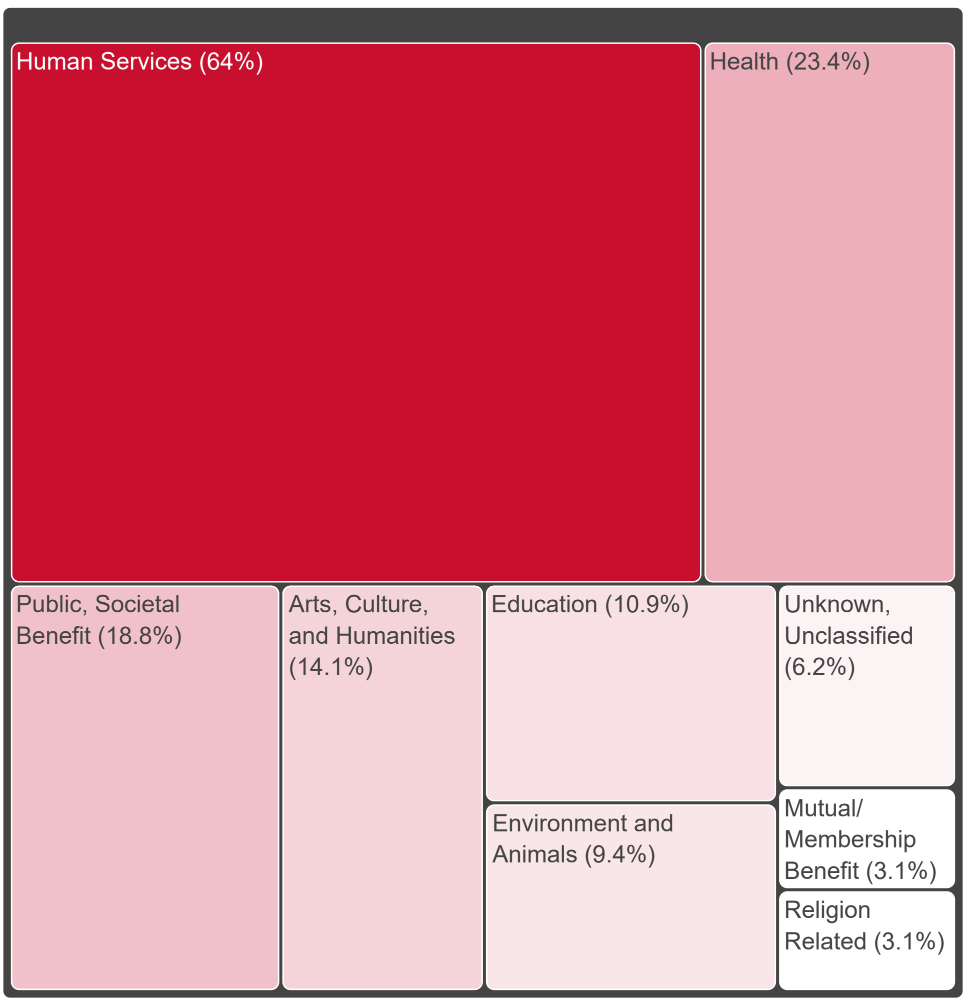


Three outlier responses were based outside of the aforementioned counties (likely from nearby areas such as Whiteside County), one response was from an international organization, and a third was left incomplete. These metrics generally align with the US Census Bureau's statistics on population by county. The four counties have a combined population of 435,216 with Winnebago County accounting for 64.6%, Boone at 12.3%, Ogle at 11.9% and Stephenson at 10.3% (United States Census Bureau, 2020). Therefore, there was a slight overconcentration of Winnebago County-based organizations, but the survey still received responses across the Northern Illinois region (outside of the Chicagoland area).

Service Sectors

Service sectors can fall under a variety of categories, ranging from broad categories like Health or Human Services to more specific categories like Environmental or Religion-Related (Internal Revenue Service, 2016). Respondents were asked to choose up to three primary service sectors that their organization falls under. In the survey, there were 18 options to select; however, these options were condensed into 9 sectoral categories to simplify the analyses and presentation of survey information by sector.[1] The treemap plot displays these consolidated sector categories along with their respective percentage of responses.

Figure 1.2: Sectors Treemap



Note: Survey respondents were asked to select all that apply from a list.

1 The percentage breakdown of organization sectors using the original categories in the survey are presented in Appendix B. Categories were consolidated by following the IRS nonprofit activity code hierarchy (Internal Revenue Service, 2016).

64% of organizations listed Human Services as their primary sector, followed by Health at 23.4%. The Human Services sector covers a range of organizations that provide a broad array of social services while the Health sector focuses specifically on healthcare and well-being (Internal Revenue Service, 2016). All of the included sectoral categories generally fall under the social welfare umbrella, which indicates that the primary mission of these organizations is to benefit their respective communities.

Organization Budgets

Much like the variance seen in service sectors, nonprofits' estimated operating budgets vary in size with respect to the number of full-time employees. There was a wide range of reported operating budgets among the organizations, with a majority falling into the $100,000 to $1 million range. The accompanying table below presents a breakdown of current or projected operating budgets.

Table 1.1: Current/Projected Operating Budgets

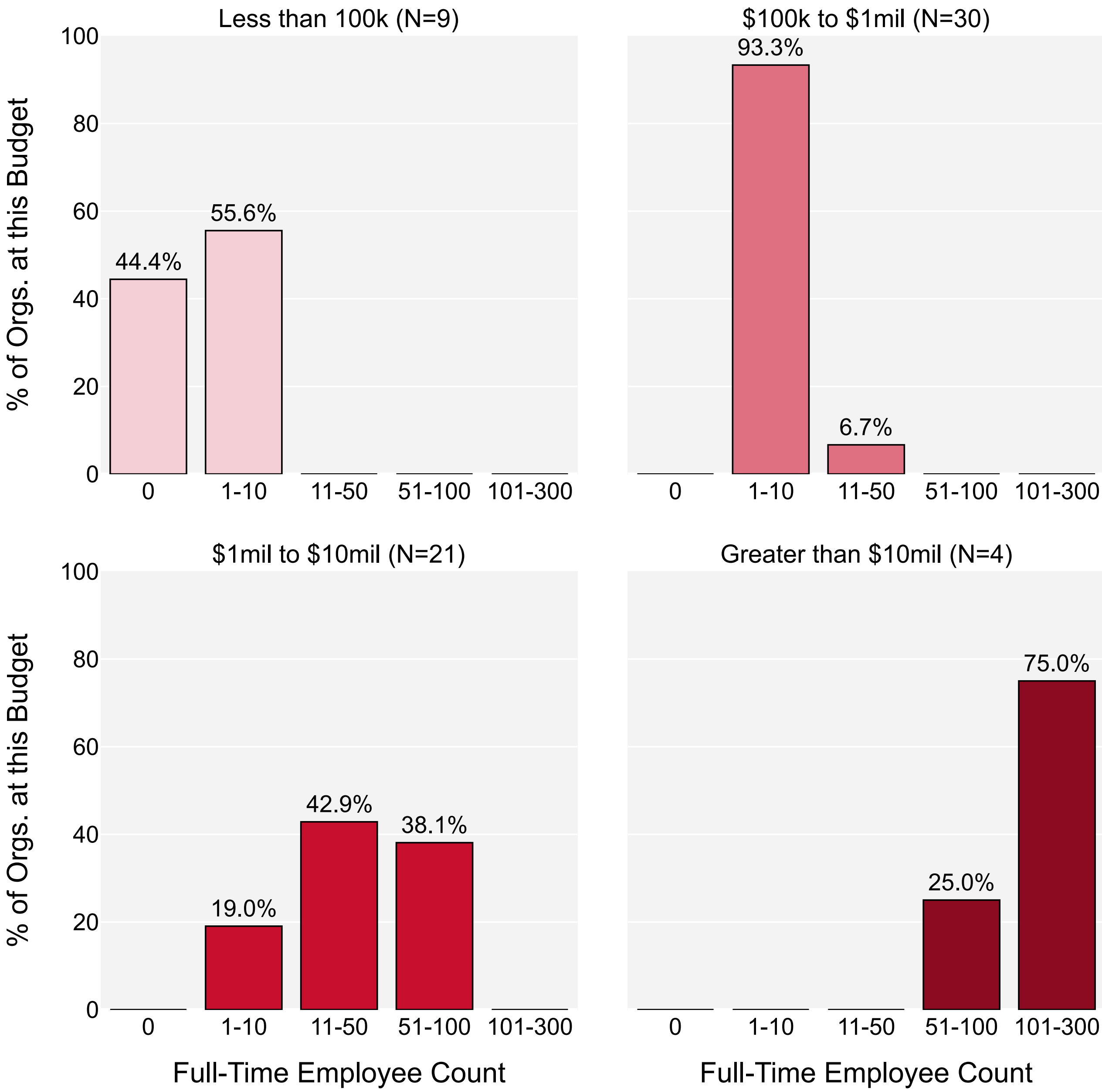
Operating Budget	Number of Respondents	Percentage
Less than $100 thousand	9	14%
$100 thousand to $1 million	30	46.9%
$1 million to $10 million	21	32.8%
Greater than $10 million	4	6.2%

Related to the operating budget is the number of full-time employees, as an organization with a higher operating budget can theoretically employ more staff to operate at a larger scale and provide a broader and more comprehensive range of services. Respondents in the survey were also asked about the number of full-time employees at their organizations. Over half of survey respondents (57.8%) reported that their organization employs 1-10 full-time employees. Organizations that were in the next size category (11-50) showed the next highest percentage (17.2%). 51-100 was third (14.1%) The lowest proportion of organizations had 101-300 employees (4.7%).

Figure 1.3 shows the percentage of organizations that have a certain amount of full-time employees for each operating budget level. Organizations with a projected budget of $1 million or less are much more likely to have 1-10 full-time employees. On the higher end of operating budgets, more organizations employ more than 10 people full-time, with the largest organizations employing more than 50 full-time staff.

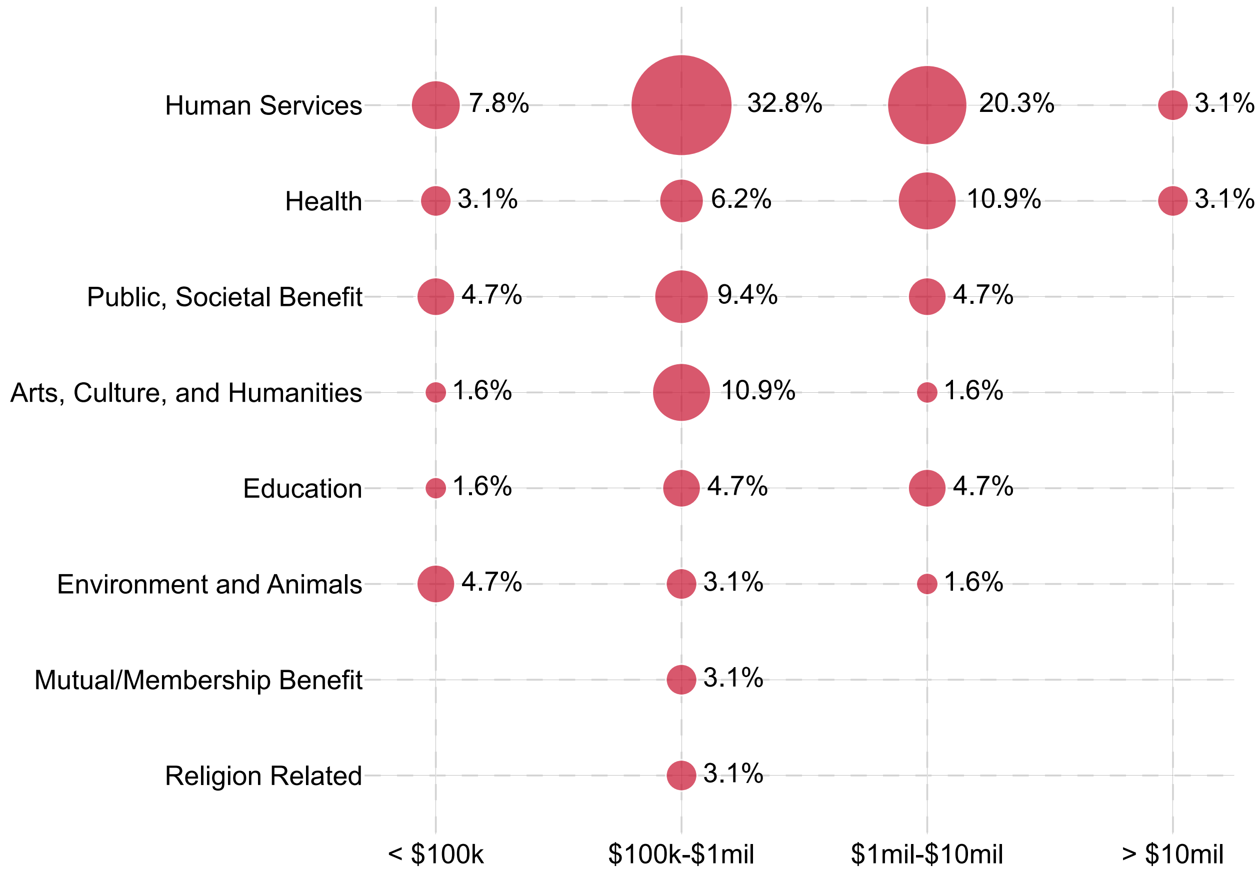
The operating budget of an organization can be a useful tool for gaining a sense of an organization's size and scope of work. Figure 1.4 below shows the percentage representation, where the size of the bubble relates to the percentage of respondents who operate in the same service sector and have similar budgets. For example, the biggest bubble is at the intersection of the Human Services sector and the $100,000- $1 Million operating budget, at nearly 33%. The smallest bubbles represent around 2% of respondents.

Figure 1.3: Budget vs. Number of Full-Time Employees



The plot illustrates how Health and Human Services, the sectors most represented by this survey sample, operate across many budget levels depending on their goals and scope of work. Small to medium-range budgets have the largest amount of sectoral diversity.

Figure 1.4: Sector vs. Budget



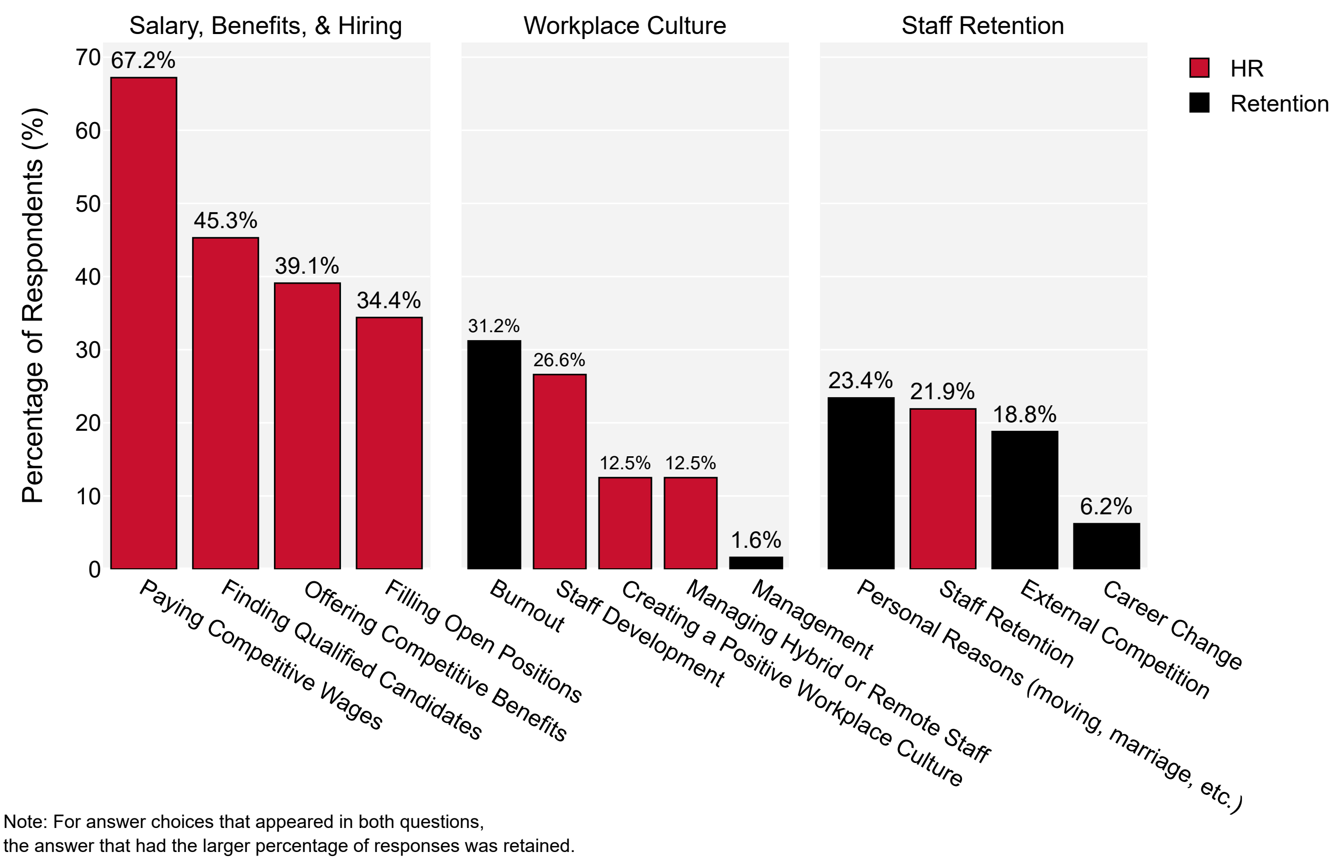
Staffing & Employment

After collecting a large sample of organizational demographics, analysts started to identify specific details in the nonprofits' organizational structure, hiring/retention practices, and challenges.

Human Resources and Retention Challenges

Surveyed nonprofits were queried about the most significant challenges they face pertaining to human resources and retention. Note that this information, contained in Figure 2.1, combines two questions whose themes revolved around human resources and retention, presenting similar information in the form of three divided categories: Salary, Benefits, & Hiring, Workplace Culture, and Retention.

Figure 2.1: Human Resources and Retention Challenges



67.2% of respondents identified a lack of competitive wages as their primary human resource challenge. This was followed by finding qualified candidates, offering competitive wages, and filling open positions. In terms of employee retention, burnout was the most common concern. Conversely, employee management, career change, managing hybrid or remote staff, and creating a positive workplace culture were not as commonly reported.

Nonprofits cited paying competitive wages and comprehensive benefits as a major obstacle in hiring and retention efforts. A driving factor in maintaining employee satisfaction, and to filling open positions, is offering adequate compensation. Private sector jobs generally hold a budgetary advantage over nonprofits, as there is more discretion on how money is generated and spent. On top of this, some nonprofit employees also cite a high-stress work environment due to the nature of the position, raising concerns about employee wellness, especially in mental health-related organizations. This, alongside wages and benefits discourse, can lead to retention downfalls such as burnout and a failure to establish a positive workplace culture.

Reflecting the Diversity of the Community

More than ever, organizations are keeping a pulse on whether their staff demographics accurately reflect the diversity of the population of the region they serve. Nonprofits have a distinct obligation to support diversity initiatives, as they must ensure that the served communities are well-represented and have a voice at all organizational levels.

Respondents were also asked to rate how well their organization is doing to ensure their staff demographics accurately reflect the diversity of the region. Table 2.1 below shows the self-identified diversity rating as well as the percentage of respondents.

Table 2.1: Current/Projected Operating Budgets

Organization Diversity Rating	Number of Respondents	Percentage
Very Well	9	14.1%
Satisfactory	22	34.4%
Neutral/Uncertain	15	23.4%
Unsatisfactory	12	18.8%
Not At All	1	1.6%
No Response	5	7.8%

A significant proportion of respondents found their organizations to be satisfactory (34.4%), or expressed a neutral/uncertain sentiment (23.4%), as opposed to unsatisfactory (18.8%) in regard to organizational diversity. However, approximately 42.2% of responses conveyed a level of uncertainty or dissatisfaction, suggesting that their organizations demographics could more accurately reflect the diversity of the region. Only 14.1% of respondents stated very well, and only one respondent stated not at all. Differing beliefs of what constitutes a diverse workforce across Northern Illinois may also account for some of the variation noted in the table above.

Impact of the New Overtime Rule

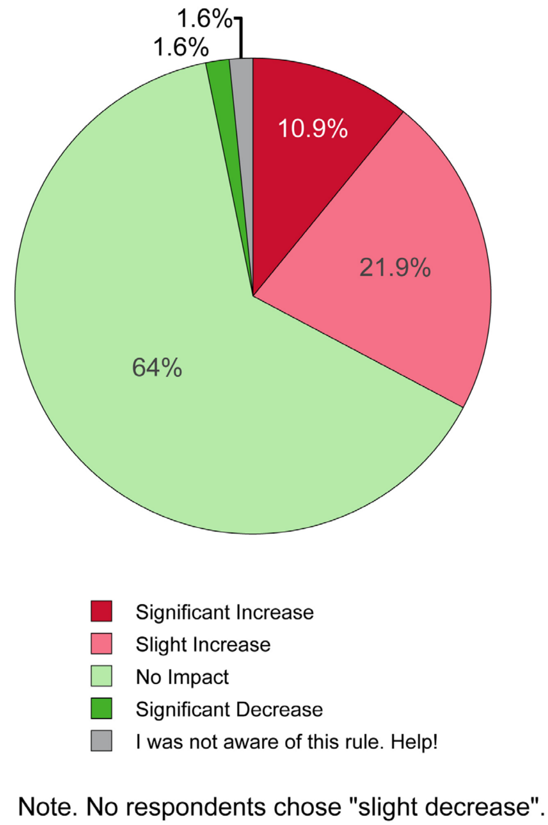
On July 1st, 2024, the first phase of a new overtime rule set by the Department of Labor went into effect. This raised the exemption threshold for those who make $844 a week, or around $43,888 yearly, from the previous threshold of $684 per week, or $35,568 per year. On January 1st, 2025, this threshold will rise again to $1,128, or $58,656 annually. According to the Department of Labor, employees who do not qualify for overtime have to meet one of the following criteria:

1. An employee is paid a salary,
2. The salary is not less than a minimum salary threshold amount, and;
3. The employee primarily performs executive, administrative, or professional duties.

Organizations responded to a question on whether the rise in salary threshold will significantly affect their payroll costs. The visualization below portrays a pie chart summarizing the responses.

Over half (64%) of respondents said that the new overtime threshold will not affect them. Contributing to this is the fact that the overtime rule has specific criteria that some nonprofit employees may not meet. The turn of the new year allows for even more individuals to be eligible for overtime pay. With 21.9% of organizations already reporting a slight increase, and another 10.9% reporting a significant increase, it can be inferred that their payroll costs will further increase in the coming months. When combined with the fact that almost 90% of organizations reported being affected by inflation on some level, this puts nonprofits in a potentially fiscally fragile state. To keep payroll costs down, organizations may choose to limit the amount of overtime opportunities available to those eligible.

Figure 2.2: Overtime Piechart



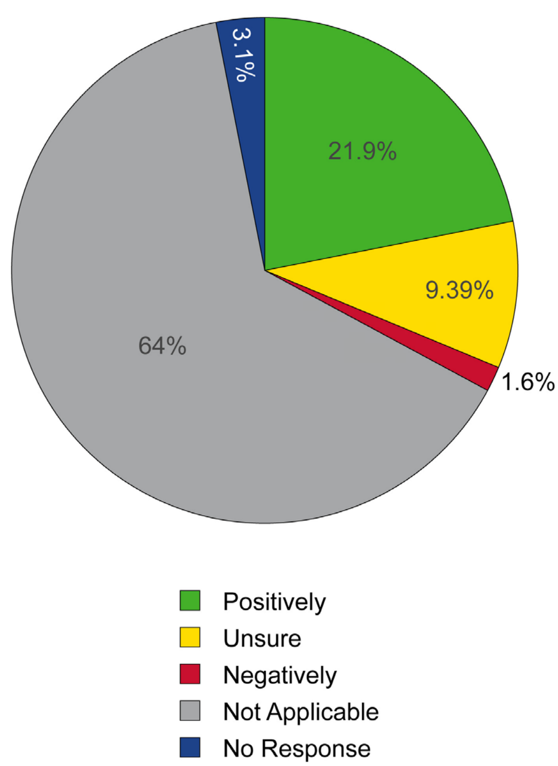
Illinois Secure Choice Savings Program Act

Similar to the new overtime rule, the Illinois Secure Choice Savings Program Act may also impact organization expenses. Launched in November 2018 and implemented in phases, the Illinois Secure Choice Savings Program is a state initiative designed to eliminate savings barriers for retirement. By offering automatic enrollment and facilitating contributions through payroll deductions, the program enables employees to build their retirement savings without the need for active decision-making. The pie chart below summarizes how the organizations felt the Act affected them.

Similar to the inquiry about overtime, the Illinois Secure Choice Savings Program Act is only applicable to “employers that had at least 5 employees in every quarter of the previous year, have been in operation for at least 2 years, and do not offer or contribute to a qualified retirement plan” (Illinois Secure Choice, 2018). 64% of respondents did not meet at least one of these requirements, reporting “Not Applicable” to this question. Of those who do meet the requirements, 21.9% hoped for positive outcomes.

Overall, this revision to the overtime rule and the implementation of the Illinois Secure Saving Program may not impact nonprofits as harshly as other industries within the Northern Illinois region.

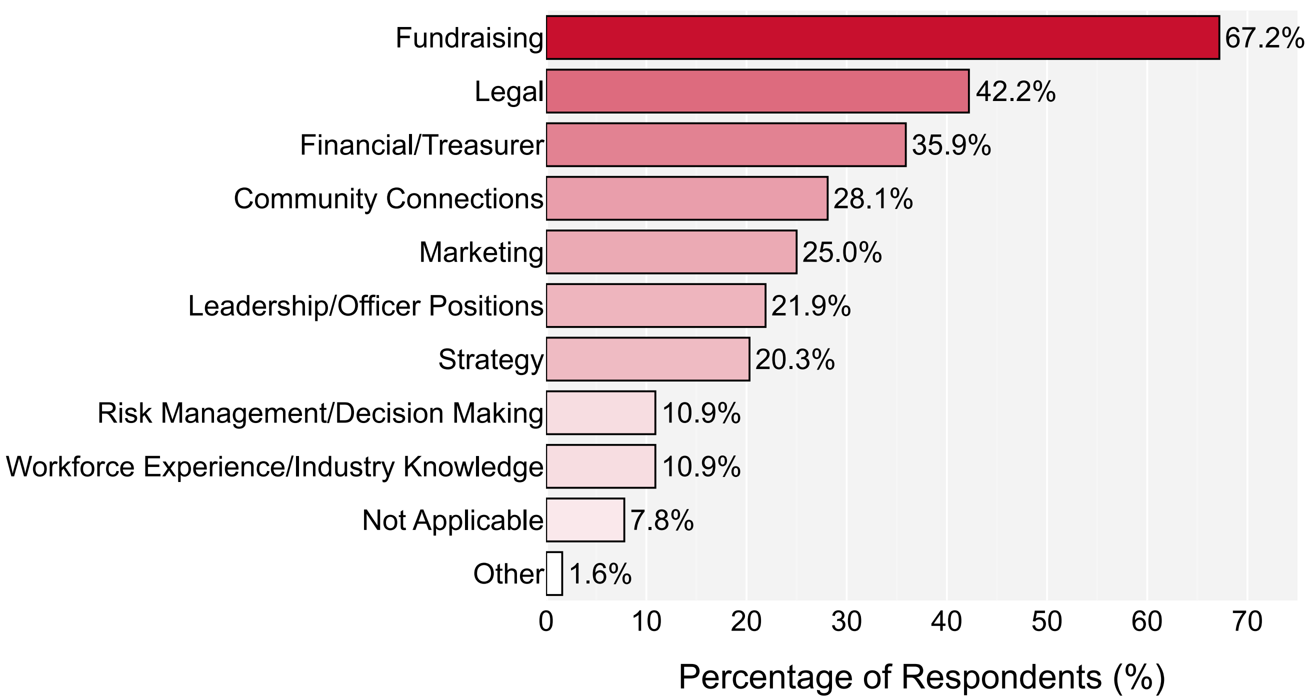
Figure 2.3: Illinois Secure Choice Savings Piechart



Board of Directors and Executive Leadership

After reflecting on challenges in human resources, retention, and diversity, respondents were asked about what challenges they are experiencing with regard to executive leadership. One of the questions asked was what skillsets their organization had difficulty in recruiting for their board of directors. The survey findings revealed that fundraising was the most challenging skill to secure amongst board members, cited by 67.2% of respondents. Additionally, 42.2% of respondents identified legal skills as being similarly elusive. It was noted that many organizations did not perceive risk management/decision-making and workforce/industry knowledge as difficult competencies to recruit, as only 10.9% of respondents reported that those skills were difficult to recruit. Management skills and industry knowledge increase with experience, and since board members usually have pre-existing industry knowledge, these skills may be common among executive candidates.

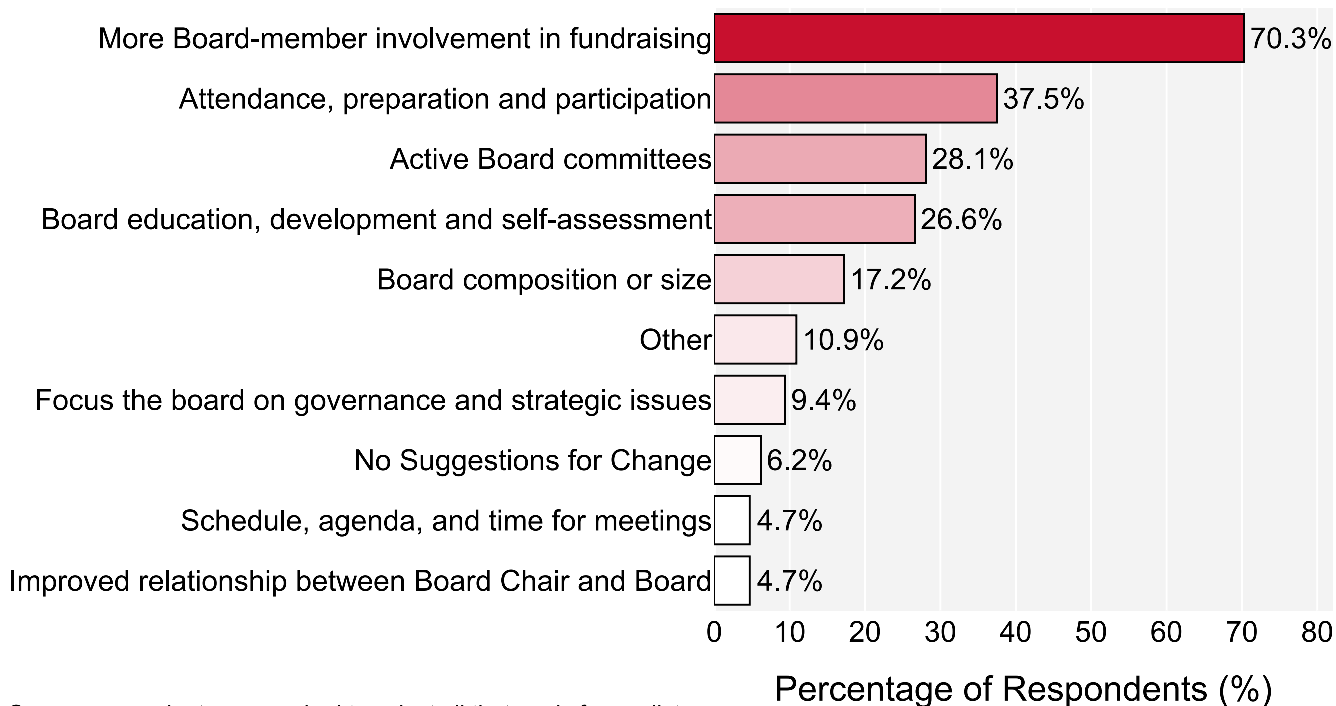
Figure 3.1: Board Wanted Skillsets



Note: Survey respondents were asked to select all that apply from a list.

Respondents were asked what they wished they could change regarding their board of directors. In line with the fundraising theme, 70.3% of organizations expressed a desire for more involvement from board members in fundraising. Meanwhile, only 4.7% expressed a desire for changes in meeting schedules, agendas, and time, as well as improved relationships between board members and the Board Chair, indicating that board members are generally satisfying these characteristics. Overall, there is a significant desire for fundraising participation and expertise, and organizations heavily rely on the support of the Board of Directors to lead and/or assist in this space.

Figure 3.2: Desired Board Changes



Note: Survey respondents were asked to select all that apply from a list.

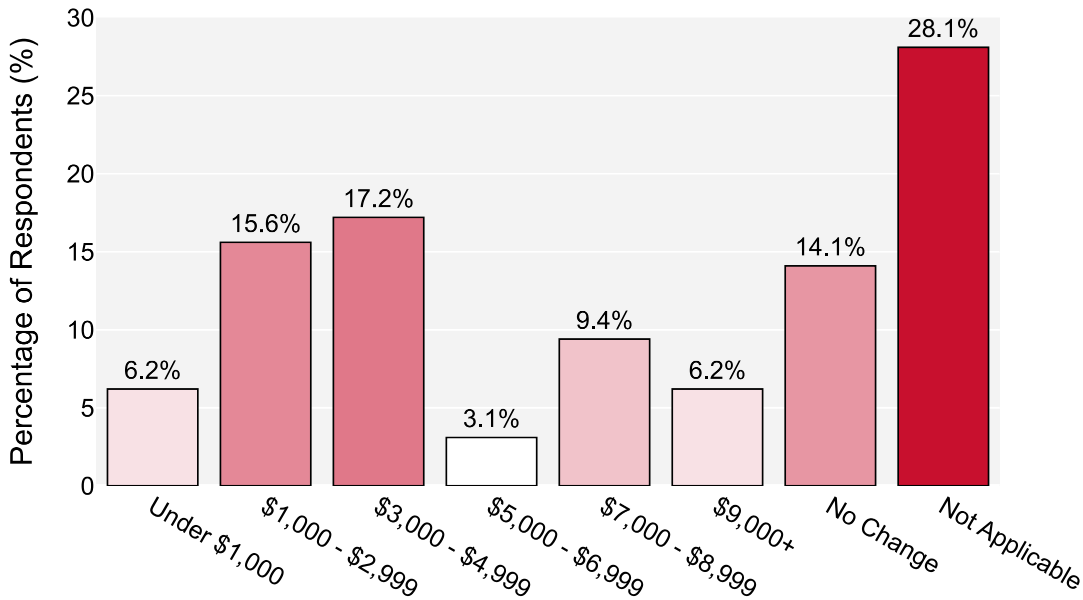
Financial Sustainability

The financial sustainability section of the survey focused on topics related to how outside forces such as audits, inflation, and changes in charitable contributions have affected nonprofits.

Financial Audits

Out of the respondents who reported an increase in their audit costs, 17.2% said their audit increased by $3,000-4,999, and another 15.6% of organizations reported an increase of $1,000-$2,999. It's important to note that if an organization receives revenue in charitable contributions under $500,000, they can file a Financial Review. This can account for the 28.1% of respondents who cited "Not Applicable." The increase in audit costs can be attributed to the escalation of inflation, the industry-wide shortage of financial professionals, and the rising costs of goods and services across all industries, not just the nonprofit sector. The large number of organizations that say not applicable likely indicates that many small organizations generate contributions of less than $500,000- the threshold for triggering an audit. When compared to the analysis of financial stability, there are indicators that nonprofits may be preparing for financial hardships.

Figure 4.1: Financial Audit



Effect of Inflation

Inflation has been a topic of contention even outside the nonprofit industry. Overall, 89.1% of respondents said that inflation affected their financial stability at least slightly. 42.2% reported a moderate affect, 28.1% said slightly, and 18.8% said severely. Only 10.9% reported that inflation has not affected their financial stability at all.

Table 4.1: Effect of Inflation

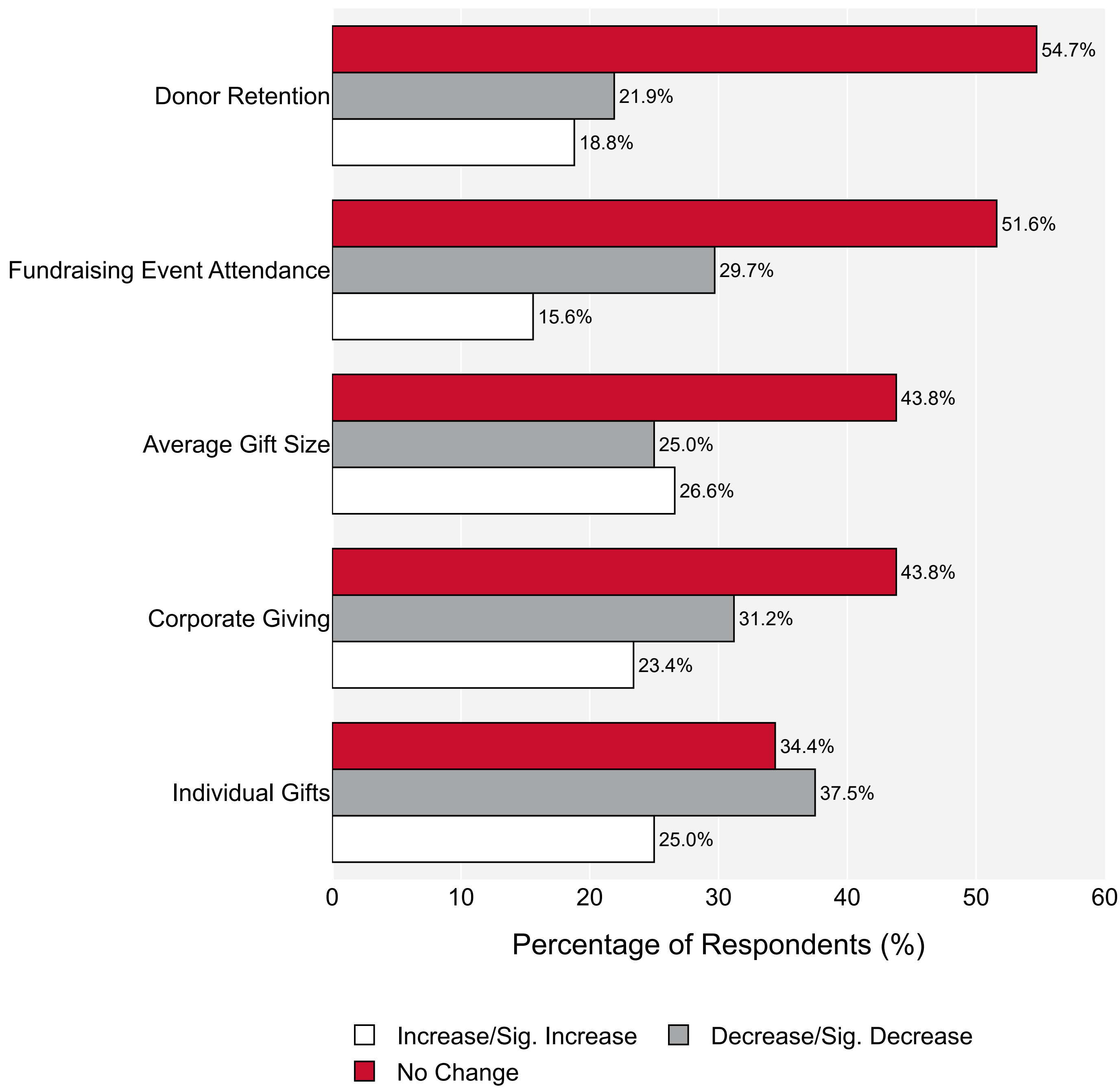
Effect of Inflation	Number of Respondents	Percentage
Severely Affected	12	18.8%
Moderately Affected	27	42.2%
Slightly Affected	18	28.1%
Has not Affected	7	10.9%

Changes in Charitable Contributions

Many nonprofits rely heavily on charitable contributions and put a great deal of effort into fundraising initiatives and soliciting donations. Survey respondents were asked if they experienced a change in the past two years in charitable contributions across five different categories: individual gifts, average gift size, donor retention, corporate giving, and fundraiser attendance.

The grouped bar chart displays types of charitable contributions and whether or not changes were observed (increase or decrease) in the past two years. The most frequent response was "No Change" across almost all the charitable contribution types, followed by "Decrease," then by "Increase." This indicates that most organizations either had no change or a decrease in charitable contributions, with the least likely outcome being an increase.

Figure 4.2: Changes in Charitable Contributions



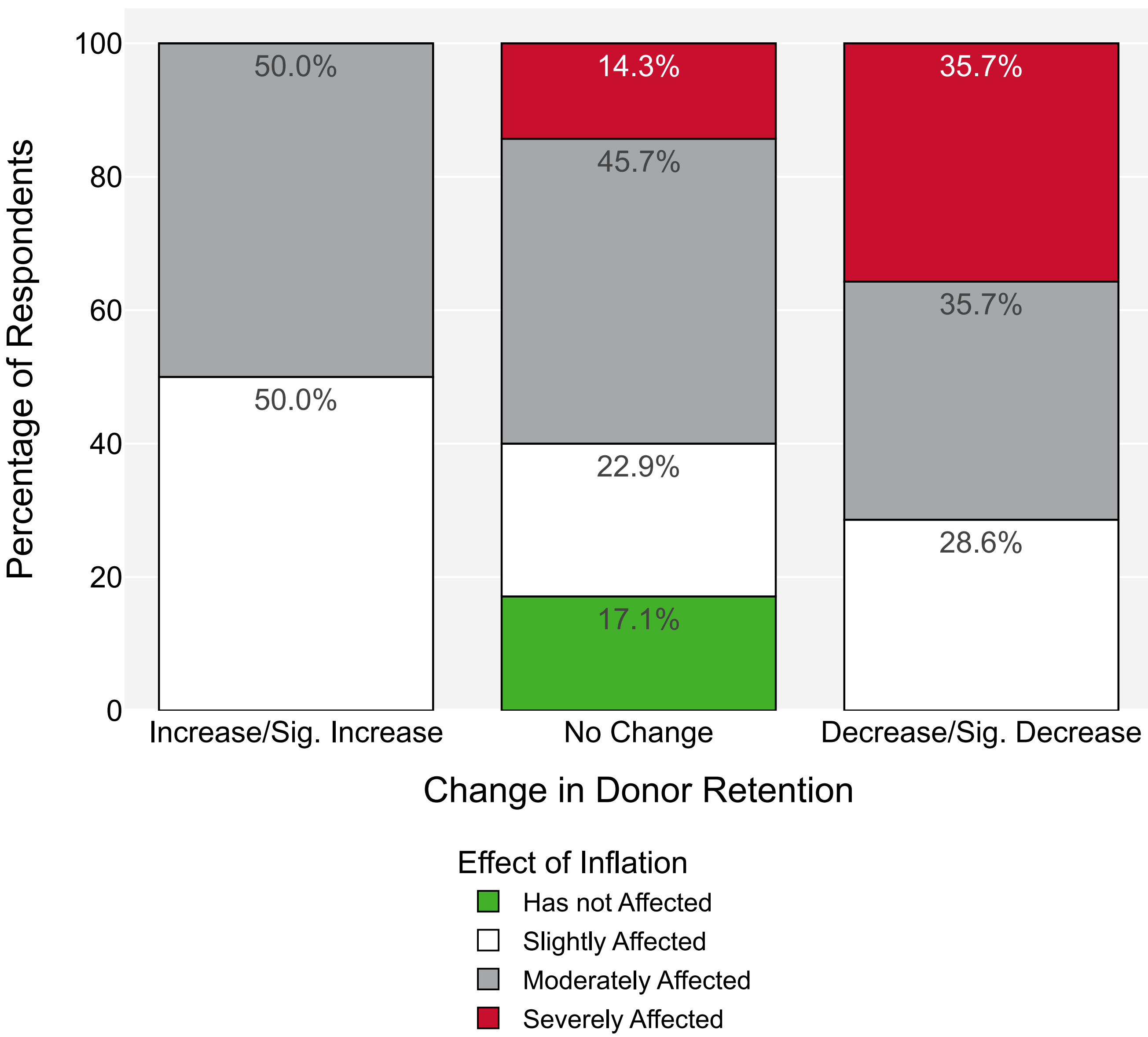
Note. An average of 3.44% of respondents chose "Not Applicable"

Economic inflation may also have an impact on charitable contributions, as increasing prices for everyday goods may decrease charitable contributions from average donors. An interesting relationship unfolds when contrasting charitable contributions with the self-reported effects of inflation.

Respondents who reported a decline in charitable contributions were more likely to report that inflation affected them at least slightly. The stacked bar chart below represents this relation utilizing the reported change in donor retention. In the “decrease/significant decrease” grouping, all respondents reporting a decrease in donor retention said inflation affected them. Within this subgrouping, 35.7% reported that inflation “severely affected” their financial stability.

It should be noted that while the biggest percentage in Figure 4.3 is in the “increase/significant increase” group, that category had the smallest number of respondents (as pictured in Figure 4.2). Analysts conducted an investigation comparing other categories of charitable contributions in relation to inflation, revealing a similar pattern of large percentages reporting a “decrease/significant decrease” in charitable contributions also reporting that inflation “severely affected” them.

Figure 4.3: Donor Retention vs Effect of Inflation



Grants and Future Trends

The final sections of the survey looked into the future with an assessment of needs from funders and anticipated challenges or opportunities over the next two years. The first panel of the bar plot below summarizes the organizations' biggest needs from funders over the next two years. Needs from funders were categorized into three distinct categories: Operational, Programmatic, and Capital.

Operational funding is money used to cover the day-to-day operations of a nonprofit. This can be anything from wages to utility bills, allowing this category to be the most flexible when it comes to how it is spent. Programmatic funding, the most common type of funding, is strictly for starting or maintaining initiatives, like program implementation or expansion. Capital funding is for more costly, long-term investments like property, construction, or renovations.

When respondents chose the category of funding they needed, a follow-up question populated with specific examples for each funding category. For example, if respondents chose "Operational Funding", they could choose from 7 different types of operational funding, including an "Other" and "None of the Above" option. 70% of survey respondents desire operational funding from their funders in the next 24 months. 40% desire programmatic funding, and 30% desire capital funding.

Figure 5.1: Funding Needs Combined

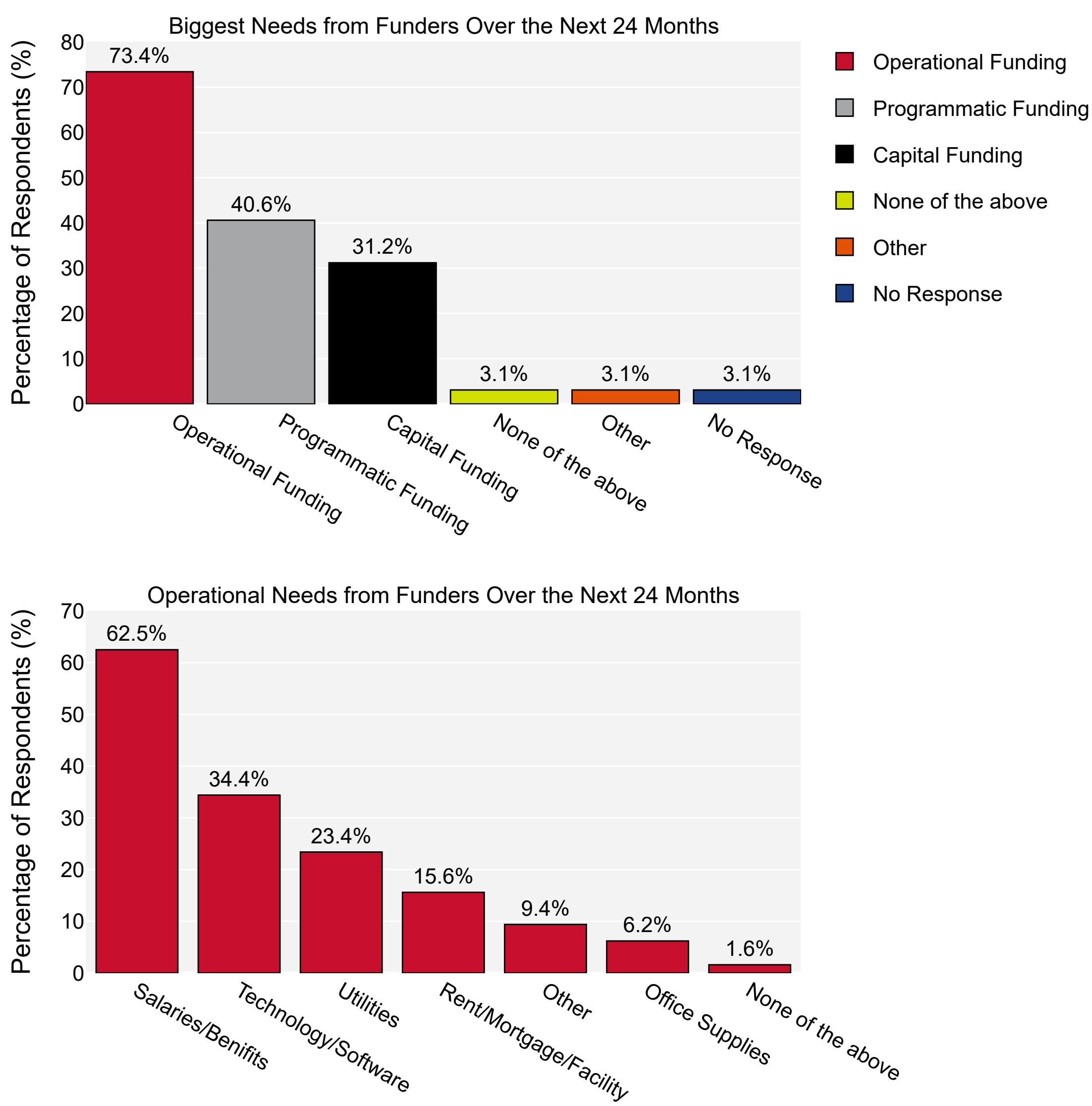
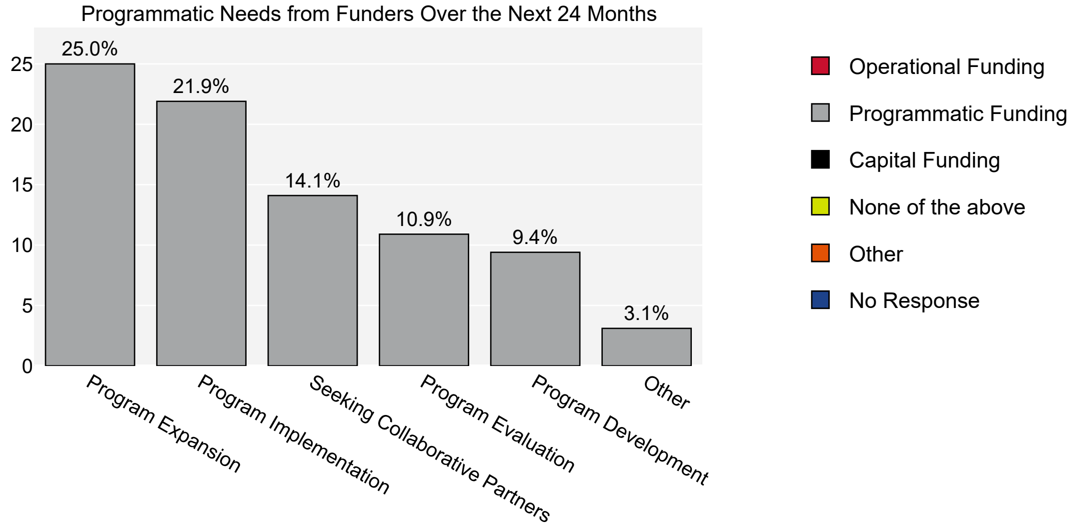
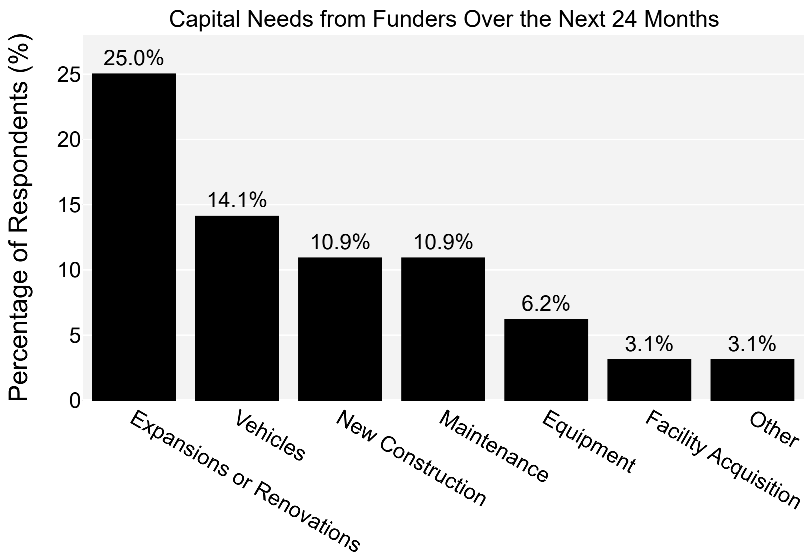


Figure 5.1: Funding Needs Combined contd.





62.5% of the nonprofits that indicated a need for operational funding wanted money specifically for salaries/ benefits. Considering the prevalence of financial concerns expressed in the survey responses, it's reasonable to conclude that organizations require this additional operational funding. More than 70% of respondents expressed a desire for operational support from funders. This need correlates with respondents' top human resources and staff retention challenge identified as the ability to offer competitive salaries, and with fundraising identified as the most desired skill set for boards of directors. For organizations that chose the 'other' selection choice, some of the written answers included: insurance & tax work, food/supplies, and tuition assistance.

Of the 40% who chose programmatic funding, the results showed that 25% needed funding for program expansion, 21.9% needed funding for program implementation, and only 9.4% identified program development as an area requiring funding. The proportion of those wanting funding for program expansion could be due to programmatic needs exceeding the program's current capacity. Only two organizations chose the 'other' option, citing "money" and "continued support" as their biggest programmatic need.

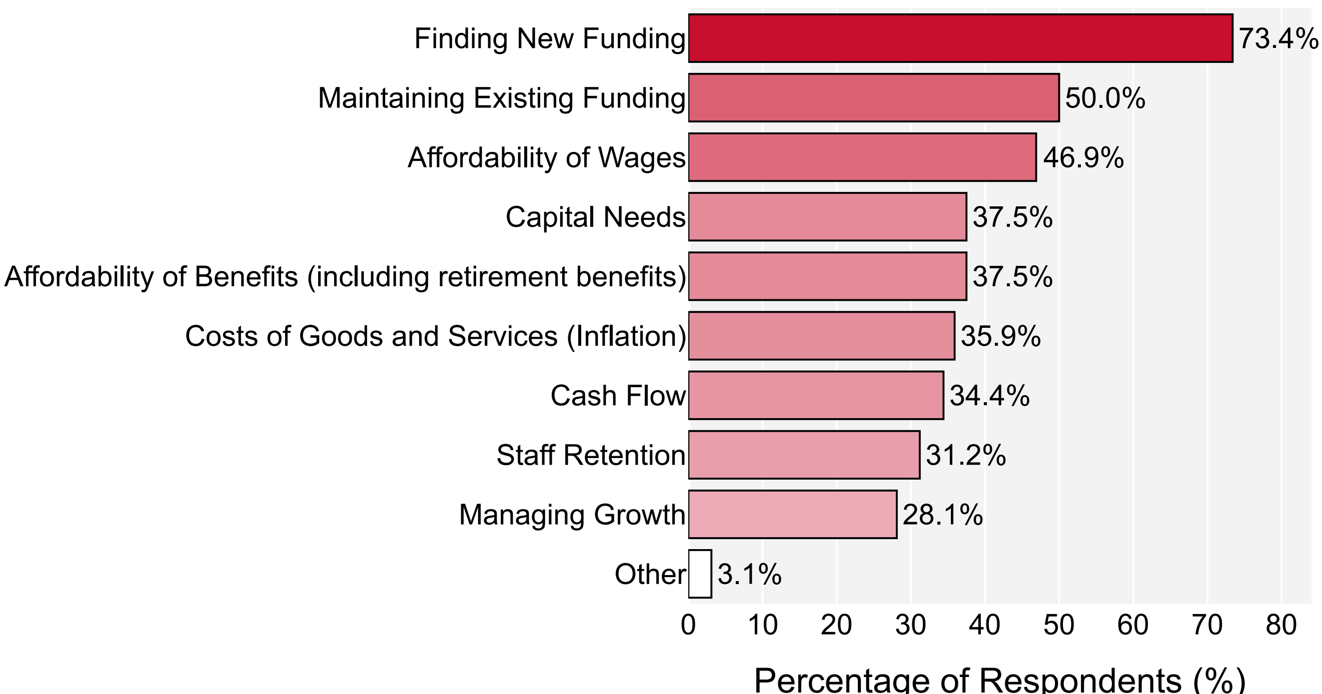
Close behind was the 30% of respondents who identified the need for capital funding. 25% requested funding for expansions and renovations, while 14% sought funding for vehicles. The lowest percentage, at 3.1%, was for facility acquisition. This connects back to respondents citing a desire funding for program expansion- organizations must either wait for the next funding cycle, or pursue other funding opportunities that will fuel growth. The two organizations that selected 'other' wanted "facilities restoration" and "expansion within a new construction project".

Looking Ahead

The final question asked respondents what challenges or opportunities they anticipated for their organization in the next two years. Respondents were asked to select all that apply.

When asked about anticipated challenges or opportunities, the financial theme observed throughout the analysis returns. Finding new funding sources was the most popular future challenge, with 73.4% of respondents anticipating it in the next 24 months. Around half of responses cited maintaining existing funding and the affordability of wages. Funding-related challenges or opportunities link to the fact that grants typically operate cyclically, meaning that there is a chance of not being renewed for further funding when that cycle ends.

Figure 5.2: Anticipated Challenges in the Next Two Years



Note: Survey respondents were asked to select all that apply from a list.

When asked about anticipated challenges or opportunities, the financial theme observed throughout the analysis returns. Finding new funding sources was the greatest future challenge, with 73.4% of respondents anticipating a need for new funding sources in the next 24 months. Approximately half of responses anticipate maintaining existing funding and the affordability of wages as their greatest needs. Funding-related challenges or opportunities may be impacted by to the fact that grants typically operate cyclically, with a chance of not being renewed for further funding when that cycle ends.

Whether renewing current funding or applying for new sources, securing additional funding remains unpredictable. This is especially true for smaller organizations or programs that rely on a limited number of funding sources, or who lack of dedicated staff to pursue funding options. The ability to secure funding can determine whether a program can continue operating or be forced to close.

Within the next two years, the landscape of the nonprofit sector in Northern Illinois may shift. Nonprofits operate in a very regulated and complex environment, facing their own unique challenges. Funders may want to consider more sustainable funding, and/or commit to granting funds for general operational expenses.

Appendices

Appendix A:

Nonprofit Sector Survey

Section 0: Demographics

1. What service sector does your organization primarily work within? (Select up to three)

- ◻ Arts, Culture and Humanities
- ◻ Civil Rights, Human Rights, and Advocacy
- ◻ Community Improvement
- ◻ Education Institutions and Related Activities
- ◻ Environment and Animals
- ◻ Food, Agriculture, and Nutrition
- ◻ Health, Healthcare and/or Mental Health
- ◻ Housing
- ◻ Human Services
- ◻ International, Foreign Affairs
- ◻ Mutual, Membership Benefit
- ◻ Philanthropy, Voluntarism, and Grant Making
- ◻ Public, Societal Benefit
- ◻ Recreation, Sports
- ◻ Religious
- ◻ Veterans
- ◻ Youth Improvement and Development
- ◻ Other:

2. What is the size of your organization's current or projected annual operating budget?

- ◻ Less than $50,000
- ◻ $50,000 to $99,999
- ◻ $100,000 to $249,999
- ◻ $250,000 to $499,999
- ◻ $500,000 to $999,999
- ◻ $1M to $4.9M
- ◻ $5M to $10M
- ◻ More than $10M

3. In which county are the majority of your program participants served in (select one):

- ◻ Boone
- ◻ Ogle
- ◻ Stephenson
- ◻ Winnebago
- ◻ International
- ◻ Other:

Section 1: Staffing/Employment

4. How many full-time employees does your organization currently employ?

- ◻ 0
- ◻ 1-10
- ◻ 11-50
- ◻ 51-100
- ◻ 101-300
- ◻ 301+

5. What are the most significant challenges your organization has experienced in terms of human resources within the last 2 years? Check all that apply.

- ◻ Paying Competitive Wages
- ◻ Offering Competitive Benefits
- ◻ Staff Development
- ◻ Staff Retention
- ◻ Filling Open Positions
- ◻ Finding Qualified Candidates
- ◻ Fostering and Sustaining a Positive Workplace Culture
- ◻ Managing Hybrid or Remote Staff
- ◻ Other:
- ◻ Not Applicable

6. What are the top retention challenges at your organization? Check all that apply.

- ◻ Salary/Wages
- ◻ Career Change
- ◻ Management
- ◻ Workplace Culture
- ◻ Burnout
- ◻ Personal Reasons (ex. Moving, marriage, etc.)
- ◻ Work arrangements (WFH, at the office, etc.)
- ◻ Offering Competitive Benefits
- ◻ External Competition
- ◻ None of the Above
- ◻ Other: ______________
- ◻ Not Applicable

7. Does your organization provide sufficient professional development opportunities for your staff and board?

- ◻ Yes
- ◻ No
- ◻ Unsure

8. Do you believe it is important for your staff to reflect the diversity of the community? (For example, Winnebago County is 61.4% White, 14.1% Black, American Indian or Alaskan Native 0.8%, Asian 5.9%, Native Hawaiian and Other Pacific Islander 0.0%, Some Other Race 8.9%, Two or More Races 8.9%, Hispanic or Latino (of any race) 18.2%).

- ◻ Yes
- ◻ No

9. How well are you doing to ensure that your staff accurately reflects the diversity of the region? (Likert Scale-1-5) (Shown only if "yes" selected above)

- ◻ Very reflective
- ◻ Somewhat
- ◻ Neutral/Uncertain
- ◻ A Little
- ◻ Not reflective

10. What impact do you anticipate the new overtime rule issued by the Department of Labor will have on your payroll expenses? (The Department of Labor issued a final rule effective July 1, 2024, to change the minimum salary threshold for overtime under the Fair Labor Standards Act to $43,888, meaning that some employees who were previously exempt from overtime may now qualify for overtime pay.) (Multiple Choice – Select One)

- ◻ Significant increase in payroll expenses
- ◻ Slight increase in payroll expenses
- ◻ No impact
- ◻ Slight decrease in payroll expenses
- ◻ Significant decrease in payroll expenses
- ◻ Unsure
- ◻ I was not aware of this rule. Help!

11. How has the Illinois Secure Choice Savings Program Act affected your organization? (The Illinois Secure Choice Savings Program Act requires all employers with at least 5 employees, that have been in business for two or more years, to offer a qualified retirement savings plan to all employees). (Multiple Choice- Select One)

- ◻ Positively
- ◻ Negatively
- ◻ Unsure
- ◻ n/a

Section 2: Board of Directors and Executive Leadership

12. Is it a priority for your organization to ensure that the Board of Directors adequately reflects the diversity of your community?

- ◻ Yes
- ◻ No

13. How well are you doing to ensure that your Board of Directors accurately reflect the diversity of the region? (For example, Winnebago County is 61.4% White, 14.1% Black, American Indian or Alaskan Native 0.8%, Asian 5.9%, Native Hawaiian and Other Pacific Islander 0.0%, Some Other Race 8.9%, Two or More Races 8.9%, Hispanic or Latino (of any race) 18.2%). (Likert Scale- 1-5) (Shown only if “yes” selected above)

- ◻ Very reflective
- ◻ A Little
- ◻ Somewhat
- ◻ Not reflective
- ◻ Neutral/Uncertain

14. What skill sets, if any, do you have difficulty recruiting to your board of directors? Select all that apply.

- ◻ Financial/Treasurer
- ◻ Fundraising
- ◻ Legal
- ◻ Strategy
- ◻ Community Connections
- ◻ Leadership/Officer Positions
- ◻ Workforce Experience/Industry Knowledge
- ◻ Other:
- ◻ Risk Management/Decision Making
- ◻ n/a
- ◻ Marketing

15. What do you wish you could change about your board of directors? Check all that apply.

- ◻ More board-member involvement in fundraising
- ◻ Board education, development, self-assessment
- ◻ Attendance, preparation, participation
- ◻ Board composition or size
- ◻ Focus the board on governance and strategic issues
- ◻ Schedule, agenda, time for meetings
- ◻ Active board committees
- ◻ Improved relationship between board and CEO/Staff
- ◻ Improved relationship between board chair and board
- ◻ n/a- Already engaged or no suggested changes

16. Has your organization considered succession planning for top leadership staff? (Multiple Choice- Select One)

- ◻ Implemented
- ◻ Not considered
- ◻ Considered but not implemented
- ◻ n/a – No paid staff

Section 3: Financial Sustainability

18. Has your organization experienced a change in charitable contributions over the past 2 years? Select all that apply.

- ◻ Increase in number of individual gifts
- ◻ Increase in average gift size
- ◻ Increase in donor retention
- ◻ Increase in corporate giving
- ◻ Significant increase in fundraising event attendance
- ◻ Decrease in number of individual gifts
- ◻ Decrease in average gift size
- ◻ Decrease in donor retention
- ◻ Decrease in corporate giving
- ◻ Significant reduction in fundraising event attendance
- ◻ No change – n/a
- ◻ Other:

19. Has your organization's financial audit price increased in the past 3 years? If so, please indicate by how much. (Multiple Choice- Select One)

- ◻ Under $1,000
- ◻ $1,000-$2,999
- ◻ $3,000-$4,999
- ◻ $5,000-$6,999
- ◻ $7,000-$8,999
- ◻ $9,000+
- ◻ No change
- ◻ n/a

20. Has the January 1, 2024, change in the audit threshold affected your organization? (As of January 1, 2024, Illinois increased the nonprofit audit threshold to $500,000. Organizations that collect between $300,000 and $499,999 in annual charitable contributions are no longer required to submit a full financial audit and may submit a financial review instead.) (Multiple Choice- Select One)

- ◻ Yes
- ◻ No
- ◻ Unsure

21. What company do you source your audits out to? (Short Answer)

22. How has inflation affected the financial stability of your organization during the past 2 years? (Multiple Choice- Select One)

- ◻ Has not affected
- ◻ Slightly affected
- ◻ Moderately affected
- ◻ Severely affected

23. How have supply chain issues affected your organization during the past 2 years? (Multiple Choice- Select One)

- ◻ Has not affected
- ◻ Slightly affected
- ◻ Moderately affected
- ◻ Severely affected

Section 4: Grants

24. Please give the estimated amount ($) received in your most recently completed fiscal year for each category:

Public:

- Federal =
- State =
- Local =

Private:

- Local Foundation =
- Local Casino =
- State or National Foundation:
- Businesses =
- Other =

25. What are your biggest needs from funders over the next 24 months? Check all that apply.

- ☐ Programmatic funding
- ☐ Operational funding
- ☐ Capital funding
- ☐ None of the Above
- ☐ Other:

26. What does your organization need from funders in terms of operational support? Check all that apply. (Will only appear if selected operational in the above question)

- ☐ Office Supplies
- ☐ Technology/Software
- ☐ Rent/Mortgage /Facility
- ☐ Utilities
- ☐ Salaries/Benefits
- ☐ None of the Above
- ☐ Other:

27. What does your organization need from funders in terms of programmatic support? Check all that apply. (Will only appear if selected program funding in the above question)

- ☐ Program development
- ☐ Program implementation
- ☐ Program expansion
- ☐ Program Evaluation
- ☐ Seeking collaborative partners
- ☐ None of the Above
- ☐ Other:

28. What does your organization need from funders in terms of capital support? Check all that apply. (Will only appear if selected capital funding in the above question).

- ☐ Facility Acquisition
- ☐ New Construction
- ☐ Maintenance
- ☐ Expansions or Renovations
- ☐ Vehicles
- ☐ Equipment
- ☐ None of the Above
- ☐ Other:

Section 5: Future Trends

29. What opportunities or challenges do you anticipate over the next 2 years? Check all that apply.

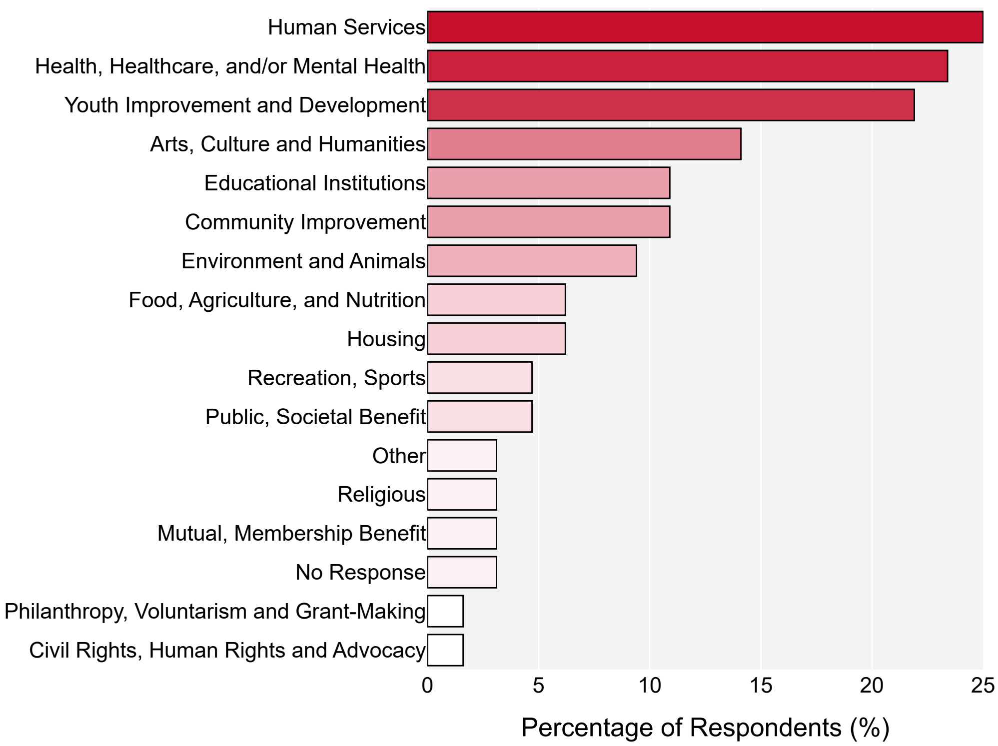
- ☐ Maintaining Existing Funding
- ☐ Finding New Funding
- ☐ Cash Flow
- ☐ Staff Retention
- ☐ Affordability of Wages
- ☐ Affordability of benefits including retirement benefits
- ☐ Capital Needs
- ☐ Managing Growth
- ☐ Costs of Goods and Services (inflation)
- ☐ Other:
- ☐ n/a

Appendix B:

Original Organization Sector Categories

Shown in this appendix is the breakdown of the organization sectors using all of the original categories:

Figure B.1: Organization Sectors



Note: Survey respondents were asked to select all that apply from a list.

For this report, the responses to question 1 were consolidated to reduce the number of sector categories:

- “Health, Healthcare, and/or Mental Health” to “Health”
- “Youth Improvement and Development” to “Human Services”
- “Community Improvement” to “Public, Societal Benefit”
- “Educational Institutions” to “Education”
- “Housing” to “Human Services”
- “Food, Agriculture, and Nutrition” to “Human Services”
- “Recreation, Sports” to “Human Services”
- “No Response” to “Unknown, Unclassified”
- “Religious” to “Religion Related”
- “Other” to “Unknown, Unclassified”
- “Civil Rights, Human Rights and Advocacy” to “Public, Societal Benefit”
- “Philanthropy, Voluntarism and Grant-Making” to “Public, Societal Benefit”

About the Northern Illinois Center for Nonprofit Excellence (NICNE)

The Northern Illinois Center for Nonprofit Excellence (NICNE) is the region's primary resource for nonprofit training and initiative leadership. NICNE believes in investing in people and organizations that make our communities safer, healthier, and more vibrant. Specific capacity building programs and services offered include:

- Customized professional and consulting services (i.e., strategic action plan facilitation, board development, meeting facilitation, human resources support, marketing and development planning, and more)
- Certificate in Nonprofit Management
- Grant writing training
- Case manager training and community of practice sessions
- Collaboration and initiative convening, facilitation and leadership
- Technical assistance and resource support
- Nonprofit Networking
- Diversity, Equity, Inclusion and Belonging Training

Founded in 2004, NICNE is a 501(c)(3) nonprofit organization that promotes, models and grows innovation, excellence and social impact. In FY2024, NICNE served more than 4,100 professionals from nearly 300 organizations across our region, including more than 100 member organizations. In July of 2018 NICNE became an affiliate of Northern Illinois University, Division of Outreach, Engagement and Regional Development. Learn more at our website, www.niu.edu/nicne

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