

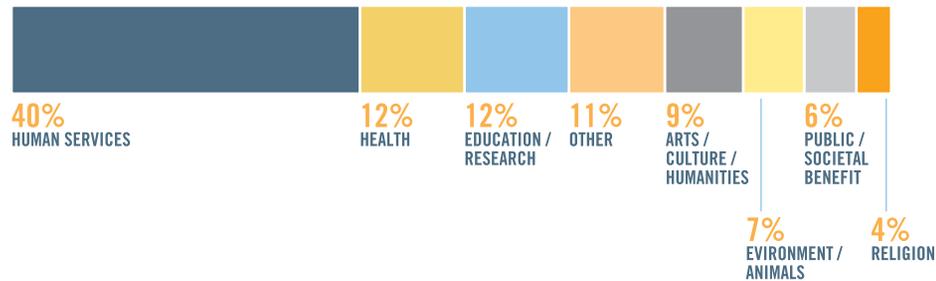
# EXECUTIVE SUMMARY

## NONPROFITS ARE ASSETS TO OUR COMMUNITIES

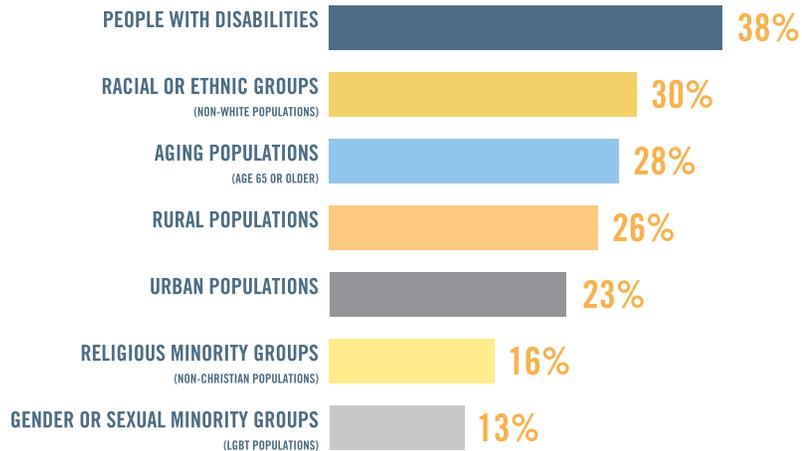


### THE REGION'S NONPROFITS ARE A VITAL PART OF THE LOCAL LANDSCAPE.

Nonprofits add value to the local economy and provide a variety of important services to at least 36 counties across Indiana, Kentucky and Illinois:



The services are provided to a host of specialized audiences (see page 10).



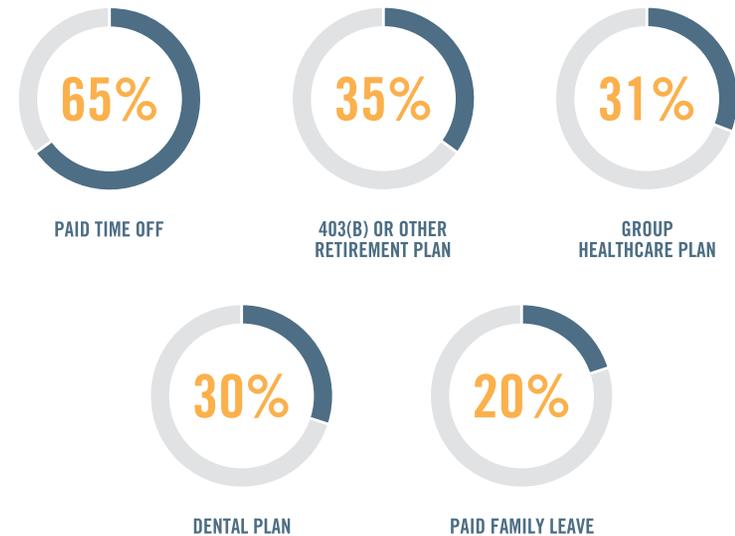
## BUT THESE ORGANIZATIONS ARE AT RISK



### PEOPLE AND FINANCES ARE STRETCHED.

Most nonprofits are also working with a small annual budget (most less than \$500K) and few financial reserves. In fact, half of all nonprofits have less than six months of revenue in reserves.

Other than funding, top challenges for area nonprofits include recruiting and maintaining staff and volunteers. Organization models vary, but typically, nonprofits rely on a workforce of few staff and larger volunteer networks. Nonprofit employment tends to come with its own challenges, some offering paid time off but few offering other paid benefits:



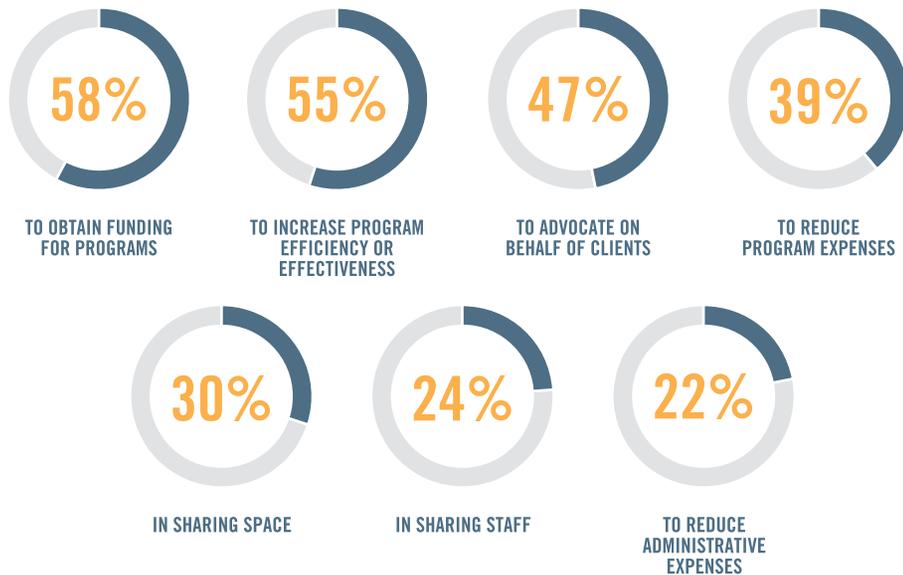
## INCREASED COLLABORATION WILL HELP



### OPPORTUNITIES EXIST TO REDUCE THE BURDEN OF FINANCIAL, STAFFING AND PROGRAM NEEDS.

Collaboration with others, in areas like space or back office staff, can help nonprofits reduce financial burdens and increase efficiency.

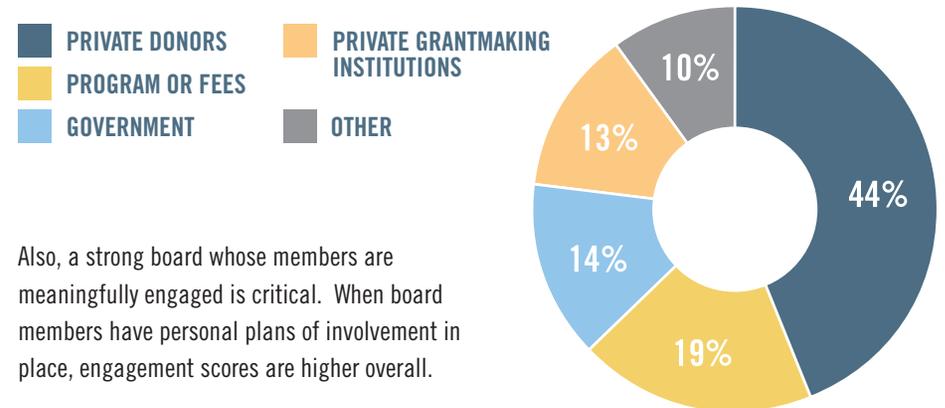
A little more than half of nonprofits are already collaborating to obtain funding for programs or to increase program efficiency or effectiveness. Opportunity exists for more nonprofits to collaborate to reduce program expenses, share space, share staff and to reduce administrative expenses:



## AS WILL MORE FOCUS ON LONG-TERM SUSTAINABILITY

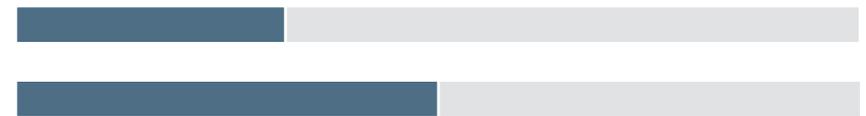
### DIVERSIFIED FUNDING SOURCES AND A STRONG BOARD OF DIRECTORS ARE ESSENTIAL.

A diverse funding mix, especially one with a healthy base of individual donors at all levels, helps organizations weather financial changes like the loss of grants or market fluctuations. Just under half (44%) of the region's nonprofit revenue comes from private donors as compared to upwards of 70% nationally:



Also, a strong board whose members are meaningfully engaged is critical. When board members have personal plans of involvement in place, engagement scores are higher overall.

**32%** of local nonprofits, or one-third, say their board is 'very engaged'.



**51%** of nonprofits whose board members have an agreed upon plan of involvement say their board is 'very engaged'.