State of the Nonprofit Sector Survey
A Special Presentation
Agenda

Data for Change
  About the Survey
  Key Findings
  Chronic Challenges

Forward Motion
  Taking Action
  Leadership Diversity
  Measuring Outcomes

Digging Deeper
  Leadership Challenges
  A Look at Los Angeles

Recommendations

Presented by
  Jung-In Soh
  Survey Specialist
  Knowledge & Communications

  Tessa Borelli
  Manager
  Knowledge & Communications

With guest speakers
  Manjusha Kulkarni
  Executive Director
  Asian Pacific Policy & Planning Council

  Vivian Long
  Director of Programs
  Long Family Foundation

December 11, 2018
About Nonprofit Finance Fund

Vision

We envision a world where capital and expertise come together to create a more just and vibrant society.

Mission

We unlock the potential of mission-driven organizations through tailored investments, strategic advice, and accessible insights.
1: Data for Change
About the Survey

NFF’s Survey raises voices from the nonprofits that support and enrich millions of lives across America. Launched in 2009, this platform has become:

• A widely cited barometer of US nonprofits’ financial and operational health

• A collective megaphone for thousands of nonprofits nationwide

• A crucial evidence base for a wide array of sector funding discussions

• A major pillar of our commitment to unlock the potential of mission-driven organizations by sharing accessible insights
We defined AAPI NPOs as nonprofits that:

- Have 15% or more of their clients made up of Asian, Asian American, Native Hawaiian and/or Pacific Islanders*
- Prioritize providing culturally and/or linguistically appropriate services for their clients

NFF compared:

- AAPI NPOs vs. non-AAPI NPOs in California
- AAPI NPOs in California that do vs. do not face leadership challenges
- AAPI NPOs in Los Angeles County vs. AAPI NPOs in the Bay Area

*In general, AAPI NPOs with a majority of AAPI clients (≥ 50%) have similar results as those with 15% AAPI clients. Large differences are noted in the presentation.
## About the AAPI NPO Respondents

<table>
<thead>
<tr>
<th>Key Area of Work</th>
<th>CA AAPI (n= 84)</th>
<th>CA non-AAPI (n= 505)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts/Culture</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>Civil Rights/Advocacy/Civic Engagement</td>
<td>11%</td>
<td>4%</td>
</tr>
<tr>
<td>Education (Early Childhood)</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>Education (Other)</td>
<td>4%</td>
<td>10%</td>
</tr>
<tr>
<td>Employment/Workforce Development</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Environment</td>
<td>0%</td>
<td>2%</td>
</tr>
<tr>
<td>Finance</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Food</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Health</td>
<td>12%</td>
<td>8%</td>
</tr>
<tr>
<td>Housing/Shelter</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>Human Services</td>
<td>26%</td>
<td>20%</td>
</tr>
<tr>
<td>Philanthropy or Grantmaking</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Youth</td>
<td>7%</td>
<td>6%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
<td>7%</td>
</tr>
</tbody>
</table>
## Nonprofits are Challenged, Creative, Unwavering

### AAPI NPO Headlines

<table>
<thead>
<tr>
<th>Facing familiar challenges</th>
<th>Real-time concerns</th>
<th>Resilient and committed as ever</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand is rising faster than the ability to meet it among AAPI NPOs in California.</td>
<td>Affordable housing is most cited as a top community need. Federal government increased clients’ challenges according to 84% of AAPI respondents in California. Many leaders feel often underfunded and are paid late by government funders.</td>
<td>AAPI NPOs in California are growing. They are expanding, not cutting programs, headcount, and staff compensation. Leaders are taking action. They are measuring impact, engaging in formal advocacy, and partnering.</td>
</tr>
</tbody>
</table>
**Demand**
Rising Faster than Nonprofits’ Ability to Meet It

<table>
<thead>
<tr>
<th>California AAPI</th>
<th>California Non-AAPI</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>87%</strong></td>
<td><strong>88%</strong></td>
</tr>
<tr>
<td>ANTICIPATE INCREASE</td>
<td>ANTICIPATE INCREASE</td>
</tr>
<tr>
<td><strong>45%</strong></td>
<td><strong>42%</strong></td>
</tr>
<tr>
<td>ANTICIPATE MEETING</td>
<td>ANTICIPATE MEETING</td>
</tr>
</tbody>
</table>

Among AAPI NPOs serving ≥ 50% AAPI clients, only 38% anticipated meeting 2018 demand.
### Community Challenges

#### Most Critical Community Needs

<table>
<thead>
<tr>
<th>Service</th>
<th>CA AAPI</th>
<th>CA Non-AAPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable housing</td>
<td>45%</td>
<td>50%</td>
</tr>
<tr>
<td>Childcare/Early childhood education</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Cultural opportunities</td>
<td>17%</td>
<td></td>
</tr>
<tr>
<td>Financial capability</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>Food security</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Homeless services</td>
<td>22%</td>
<td></td>
</tr>
<tr>
<td>Jobs</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Job training</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Kindergarten - Grade 12 schools</td>
<td>5%</td>
<td>12%</td>
</tr>
<tr>
<td>Medical care</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Mental and behavioral health services</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Public transportation</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Readiness and access to post-secondary…</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>Recreational programs and spaces</td>
<td>6%</td>
<td>11%</td>
</tr>
<tr>
<td>Senior care and services</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Substance use services</td>
<td>2%</td>
<td>6%</td>
</tr>
<tr>
<td>Veterans' programs and services</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>Youth programs and services</td>
<td>27%</td>
<td>33%</td>
</tr>
</tbody>
</table>
“Our young people are living in low-income communities alongside Latinos and African Americans. We face similar issues around poverty, housing insecurity, job insecurities, and violence in the community.”

Leader of a youth nonprofit
Financial Challenges
Top Operational/Financial Challenges

- Achieving long-term financial sustainability: 71% (CAAAPI), 58% (CA Non-AAPI)
- Raising funds that cover full costs: 71% (CAAAPI), 59% (CA Non-AAPI)
- Raising unrestricted revenue: 58% (CAAAPI), 46% (CA Non-AAPI)
- Cuts in government funding: 23% (CAAAPI), 18% (CA Non-AAPI)
- Managing or pursuing growth: 34% (CAAAPI), 38% (CA Non-AAPI)
- Having regular, reliable cash flow: 16% (CAAAPI), 20% (CA Non-AAPI)
- Developing cash reserves: 21% (CAAAPI), 26% (CA Non-AAPI)
- Community engagement: 4% (CAAAPI), 16% (CA Non-AAPI)
- Other: 3% (CAAAPI), 5% (CA Non-AAPI)
### Financial Health

#### Months of Cash on Hand

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>CA AAPI</th>
<th>CA Non-AAPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤ 1 month</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>2-3 months</td>
<td>37%</td>
<td>30%</td>
</tr>
<tr>
<td>4-5 months</td>
<td>13%</td>
<td>12%</td>
</tr>
<tr>
<td>≥ 6 months</td>
<td>30%</td>
<td>40%</td>
</tr>
</tbody>
</table>

#### FY17 Operating Results

<table>
<thead>
<tr>
<th>Category</th>
<th>CA AAPI</th>
<th>CA Non-AAPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deficit</td>
<td>25%</td>
<td>22%</td>
</tr>
<tr>
<td>Break-even</td>
<td>20%</td>
<td>23%</td>
</tr>
<tr>
<td>Surplus</td>
<td>56%</td>
<td>54%</td>
</tr>
</tbody>
</table>
Financial Challenges
Foundation and Government Funding

CA AAPI & CA Non-AAPI Orgs Often Underfunded by:

Among AAPI NPOs serving ≥ 50% AAPI clients:
- 73% feel underfunded by government
- 54% feel underfunded by foundations

68% Government grants and/or contracts
57% Foundation grants
50% Government grants and/or contracts
42% Foundation grants

CA AAPI CA Non-AAPI
Federal Policies and Positions
Impact on Organizations and Clients’ Lives

Respondents said Federal Impact Made the Following Harder in 2017:

- Policy environment: 78% (CA AAPI), 66% (CA Non-AAPI)
- Ability to deliver on mission: 54% (CA AAPI), 44% (CA Non-AAPI)
- Challenges facing clients: 84% (CA AAPI), 79% (CA Non-AAPI)
Top Staffing Challenges

AAPI NPOs in California cited the following challenges:

• Offering competitive pay
  ▪ 78% of AAPI NPOs vs. 66% of non-AAPI NPOs in California

• Employing enough staff to do all of the work
  ▪ 53% of AAPI NPOs vs. 61% of non-AAPI NPOs in California

• Identifying, recruiting, and/or retaining staff who have the cultural competencies to best serve clients
  ▪ 34% of AAPI NPOs vs. 31% of non-AAPI NPOs in California
“Those that serve ethnic minorities face an additional challenge: that of finding staff and/or volunteers who have the language capacity and cultural awareness to serve their clients. We cannot fulfill our mission without spending twice as much effort or more to recruit the right staff and volunteer corps.”

Leader of a human services nonprofit
2: Forward Motion
Taking Action
Actions Taken in 2017

- Increase staff: 65% (CA AAPI), 60% (CA Non-AAPI)
- Reduce staff: 15% (CA AAPI), 16% (CA Non-AAPI)
- Increase staff compensation: 61% (CA AAPI), 63% (CA Non-AAPI)
- Free or reduce staff compensation: 9% (CA AAPI), 12% (CA Non-AAPI)
- Increase diversity of board/leadership/staff: 47% (CA AAPI), 46% (CA Non-AAPI)
- Develop a succession plan: 24% (CA AAPI)
- Expand programs or services: 62% (CA AAPI), 55% (CA Non-AAPI)
- Reduce programs or services: 10% (CA AAPI), 20% (CA Non-AAPI)
- Engage more formally in advocacy/policy: 10% (CA AAPI), 47% (CA Non-AAPI)
- Collaborate or partner with another organization: 71% (CA AAPI), 80% (CA Non-AAPI)
- Purchase a facility: 7% (CA AAPI)
- Lease a facility: 14% (CA AAPI), 16% (CA Non-AAPI)
- Renovate a facility: 19% (CA AAPI), 24% (CA Non-AAPI)
Live Poll

What types of partnerships is your organization using or exploring?

• Collaboration – sharing information, coordinating efforts
• Strategic alliance – joint programming
• Integration – joint ventures, mergers
• Funding alliance – sharing grants/donations, etc.
• Cost-sharing – facilities, equipment, staff resources
Organizational Diversity
A Closer Look at Leadership

**Executive Director/CEO/Managing Director**

- ED/CEO/Managing Director is a Person of Color (POC): 69%
  - CA AAPI: 19%
  - CA Non-AAPI: 43%
- ED/CEO/Managing Director is a community member: 69%

**Board and Senior Leaders**

- More than half the board identify as POC: 65%
  - CA AAPI: 18%
  - CA Non-AAPI: 77%
- More than half the board identify as community members: 70%
  - CA AAPI: 50%
  - CA Non-AAPI: 50%
- More than half of senior leadership identify as POC: 70%
  - CA AAPI: 26%
  - CA Non-AAPI: 47%
- More than half of senior leadership identify as community members: 71%
  - CA AAPI: 50%
  - CA Non-AAPI: 51%
Measuring What Works
AAPI NPOs in California are Outcomes-Focused

Outcomes-Based Practices

- **Receive funding that pays for outcomes**
  - CA AAPI: 35%
  - CA Non-AAPI: 25%

- **Plan to upgrade software to capture impact data**
  - CA AAPI: 53%
  - CA Non-AAPI: 43%

- **Collect program metrics**
  - CA AAPI: 96%
  - CA Non-AAPI: 95%

- **Collect measures of service impact**
  - CA AAPI: 79%
  - CA Non-AAPI: 78%
“Much of the data for Asian Americans is aggregated, which paints a rosier picture of the group. For example, the poverty level of Vietnamese Americans and Cambodian Americans is much higher, and these numbers are obscured by data aggregation.”

Leader of a human services nonprofit
3: Digging Deeper
Leadership Challenges
Leadership Challenges*

33% of AAPI NPOs and 34% non-AAPI NPOs in California said identifying the next generation of leadership is a challenge.

48% of AAPI NPOs vs. 40% of non-AAPI NPOs in California said recruiting and/or retaining staff with leadership potential is a challenge.

We compared AAPI NPOs that cited having leadership challenges with AAPI NPOs that did not, and found some notable differences.

- AAPI NPOs in California that struggle to identify the next generation of leadership or to recruit and/or retain staff with leadership potential:
  - Show fewer signs of growth
  - Struggle with full or timely funding

*Leadership challenges defined as recruiting or retaining staff with leadership potential, or identifying the next generation of leadership
Fewer Signs of Growth
Among California AAPI NPOs Struggling to Recruit or Retain Staff with Leadership Potential

**Actions Planned:**

- Fewer are planning to increase staff
  - 53% of AAPI NPOs vs. 67% of AAPI NPOs without challenge
- More are planning to reduce programs
  - 17% of AAPI NPOs vs. 3% of AAPI NPOs without challenge
- Fewer anticipate meeting demand
  - 38% of AAPI NPOs vs. 52% of AAPI NPOs without challenge
Funding Full Costs

Among AAPI NPOs that struggle to identify the next generation of leadership:

<table>
<thead>
<tr>
<th></th>
<th>With the Challenge</th>
<th>Without the Challenge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raising funds to cover full costs is a top financial concern</td>
<td>77%</td>
<td>69%</td>
</tr>
<tr>
<td>Having regular, reliable cash flow is a top financial concern</td>
<td>23%</td>
<td>13%</td>
</tr>
</tbody>
</table>

Among AAPI NPOs that struggle to recruit or retain staff with leadership potential:

<table>
<thead>
<tr>
<th></th>
<th>With the Challenge</th>
<th>Without the Challenge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Having regular, reliable cash flow is a top financial concern</td>
<td>71%</td>
<td>65%</td>
</tr>
<tr>
<td>Feel they are often underfunded by government</td>
<td>21%</td>
<td>12%</td>
</tr>
</tbody>
</table>
“It's more expensive to be responsive to the needs of API clients than it would be to just serve mainstream clients, due to the multiple language needs of the API community, cultural barriers, etc.”

Leader of a human services nonprofit
A Look at Los Angeles
We compared AAPI NPOs in Los Angeles County and those in the Bay Area.*

- 43% of California AAPI NPOs are in Los Angeles County
- 36% of California AAPI NPOs are in the Bay Area

Compared to Bay Area AAPI NPOs, more Los Angeles County AAPI NPOs struggle with:

- Financial health
- Funding the full cost of services

*The Bay area includes San Francisco, Alameda, Contra Costa, and Marin Counties
Financial Health

AAPI NPOs in Los Angeles County have lower signs of financial health compared to Bay Area AAPI NPOs:

- Operating results
  - 33% ended FY17 with a deficit vs. 11% in the Bay Area

- Months of cash on hand
  - 22% have one month of cash on hand or less vs. 13% in the Bay Area

- Regular, reliable cash flow
  - 25% said having regular, reliable cash flow is a top operational/financial challenge vs. 11% in the Bay Area
Funding for Full Costs

More AAPI NPOs in Los Angeles County struggle with full-cost funding for their services compared to those in the Bay Area.

• 81% feel often underfunded by government vs. 64% in the Bay Area

• 77% are comfortable talking about the true costs of delivering on a grant or contract with funders vs. 88% in the Bay Area

• Raising unrestricted revenue
  ▪ 56% said raising unrestricted revenue is a top operational/financial concern vs. 48% in the Bay Area

Among AAPI NPOs serving ≥ 50% AAPI clients, 64% of AAPI NPOs in Los Angeles County said raising unrestricted revenue is a top operational/financial concern.
Measuring What Works
Regional Comparison

Outcomes-Based Practices

- Receive funding that pays for outcomes: Los Angeles County AAPI 44%, Bay Area AAPI 27%
- Are extremely or very likely to pursue outcomes-based funding: Los Angeles County AAPI 55%, Bay Area AAPI 23%
- Have a theory of change/logic model: Los Angeles County AAPI 50%, Bay Area AAPI 54%
- Have staff dedicated or partially dedicated to collecting and analyzing data: Los Angeles County AAPI 53%, Bay Area AAPI 71%
Voices from the Field

Manjusha Kulkarni

Executive Director of the Asian Pacific Policy & Planning Council (A3PCON) and former Executive Director of the South Asian Network (SAN)
Voices from the Field

Vivian Long

Director of Programs for the Long Family Foundation (LFF), a private non-profit organization that funds religious, educational, cultural and research endeavors
4: Recommendations
Live Poll

How familiar are you with the concept of full costs (also known as real costs, true costs, etc.)?

• Very
• Somewhat
• Not very
• Unsure
## Nonprofits Need Profits: Understanding “Full Costs”

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Expenses</td>
<td>Operating, non-operating, and unfunded expenses</td>
</tr>
<tr>
<td>Working Capital</td>
<td>Access to cash for day-to-day needs</td>
</tr>
<tr>
<td>Reserves</td>
<td>Savings, a “rainy day” fund</td>
</tr>
<tr>
<td>Debt Principal Repayment</td>
<td>Mortgage, line of credit, etc.</td>
</tr>
<tr>
<td>Fixed Asset Additions</td>
<td>Money to purchase a new building, or computers</td>
</tr>
<tr>
<td>Change Capital</td>
<td>Resources to adapt, grow, and/or expand</td>
</tr>
</tbody>
</table>

‘Must haves’ for all organizations

Sometimes needed by some organizations
Acknowledging & Defining *Unfunded Expenses*

**Unfunded expenses are:**

- Expenses that are not currently incurred, but, if covered, would allow the organization to work at its current level in a way that is reasonable and fair

- *Sweat equity* – overworking and underpaying staff – is the most common example, such as:
  - The gap between current wages and fair wages for the exact same amount of work
  - The cost to hire a 20hr/week team member that would allow the ED to reduce her time from 60hr/week to 40hr/week

- Other examples: sub-par supplies, slow internet, unfilled positions, deferred maintenance

**Unfunded expenses are NOT:**

- Expenses to expand or do more
## Assessing Your Financial Starting Point: A Quick Pulse Check

<table>
<thead>
<tr>
<th>Indicators to Calculate</th>
<th>What It Shows</th>
<th>Where to Find It</th>
<th>How to Calculate</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING SURPLUS or DEFICIT</td>
<td>Your ability to cover operating expenses with revenue from your core business model, <em>reflects the strength of the business model</em></td>
<td>Income Statement (Audit, IRS 990 Filing, Internal Financials, Budgets)</td>
<td>Unrestricted, Operating Revenue – Operating Expenses</td>
</tr>
<tr>
<td>MONTHS OF CASH</td>
<td>How long you can cover short term obligations and day-to-day expenses, <em>best measure of solvency</em></td>
<td>Balance Sheet (Audit, IRS 990 Filing, Internal Financials)</td>
<td>Total Cash (Total Expenses / 12)</td>
</tr>
<tr>
<td>MONTHS OF LIQUID, UNRESTRICTED NET ASSETS</td>
<td>How long you can cover short term obligations and day-to-day expenses, <em>best measure of solvency</em></td>
<td>Balance Sheet (Audit, IRS 990 Filing, Internal Financials)</td>
<td>Total Unrestricted Net Assets – (P&amp;E – P&amp;E Debt) (Total Expenses / 12)</td>
</tr>
</tbody>
</table>
What does the data tell us?

AAPI NPOs in CA face similar challenges to other nonprofits across the country

• Concern for the people they serve
• Demand rising faster than the ability to meet it
• Funding for full costs and unrestricted revenue
Some challenges hit AAPI NPOs harder

- Federal policies and positions negatively impacted:
  - Policy environments
  - Ability to deliver on mission
  - Clients’ lives

- AAPI NPOs in LA had more operating deficits and less cash on hand

- AAPI NPOs in CA experiencing leadership challenges also show fewer signs of growth, and/or struggle with full or timely funding
AAPI NPOs are also thriving

- Have more diversity in organizational leadership
- Are collaborating, growing (expanding programs and/or increasing staff), and engaging in formal advocacy
- Measuring impact and contributing to an increasingly outcomes-focused world
Questions?
How You Can Use This Data

**Context**
- Compare your nonprofit (or your grantee) to peer organizations across key work areas, sizes, and geographies
- Inform brainstorming and planning around strategy, budgeting, prioritizing
- Support open discussions about community needs and the full costs of meeting them

**Alignment**
- Email survey@nff.org for a copy of the questions to share with board members, staff; compare and discuss your responses

**Inspiration**
- Share the spirit and examples of others across the sector

**Advocacy**
- Cite data in your campaigns and testimonies as well as your grant proposals

**Research**
- Explore dynamics of nonprofit work areas and geographies
- Add data to lesson plans and academic papers
How You Can Use This Data cont’d...

Communication
• Use the Survey to open discussions on sometimes difficult topics
• Visit nff.org/surveydata to customize and download charts/graphs
The thousands of nonprofit leaders, who
• Took the time to complete the Survey
• Stepped up to show the country what’s at stake
• Entrusted us to raise their voices

Hundreds of individual and organizational partners who helped
• Share the Survey with their networks and stakeholders
• Build this much-needed social sector data set

NFF thanks the Bank of America Charitable Foundation for generously supporting the State of the Nonprofit Sector Survey since 2010. The 2018 Survey is also generously supported by The David and Lucile Packard Foundation, BKD CPAs & Advisors, and Asian Pacific Community Fund.
Thank You!

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5: Appendix
Threshold Differences
Among California AAPI NPOs Struggling to Identify the Next Generation of Leadership

<table>
<thead>
<tr>
<th></th>
<th>AAPI Clients Make Up More than 15% of Clients</th>
<th>AAPI Clients Make Up More than 50% of Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Having regular, reliable cash flow is a top operational/financial concern</td>
<td>23%</td>
<td>19%</td>
</tr>
<tr>
<td>Feel often underfunded by government</td>
<td>68%</td>
<td>67%</td>
</tr>
<tr>
<td>Increased staff compensation</td>
<td>46%</td>
<td>60%</td>
</tr>
<tr>
<td>Expanded programs or services</td>
<td>54%</td>
<td>60%</td>
</tr>
<tr>
<td>Reduced programs or services</td>
<td>21%</td>
<td>13%</td>
</tr>
<tr>
<td>Renovated a facility</td>
<td>17%</td>
<td>13%</td>
</tr>
<tr>
<td>Upgraded software to capture impact data</td>
<td>50%</td>
<td>40%</td>
</tr>
</tbody>
</table>
Threshold Differences
Among California AAPI NPOs Not Struggling to Identify the Next Generation of Leadership

<table>
<thead>
<tr>
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<tr>
<td>Feel often underfunded by government</td>
<td>67%</td>
<td>76%</td>
</tr>
<tr>
<td>Increased staff compensation</td>
<td>68%</td>
<td>61%</td>
</tr>
<tr>
<td>Expanded programs or services</td>
<td>66%</td>
<td>48%</td>
</tr>
<tr>
<td>Reduced programs or services</td>
<td>20%</td>
<td>26%</td>
</tr>
<tr>
<td>Renovated a facility</td>
<td>28%</td>
<td>17%</td>
</tr>
<tr>
<td>Upgraded software to capture impact data</td>
<td>30%</td>
<td>22%</td>
</tr>
</tbody>
</table>
### Threshold Differences
Among California AAPI NPOs Struggling to Recruit or Retain Staff with Leadership Potential

<table>
<thead>
<tr>
<th></th>
<th>AAPI Clients Make Up More than 15% of Clients</th>
<th>AAPI Clients Make Up More than 50% of Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will not meet demand</td>
<td>63%</td>
<td>57%</td>
</tr>
<tr>
<td>Receive late payments from federal government</td>
<td>69%</td>
<td>50%</td>
</tr>
<tr>
<td>Receive late payments from local government</td>
<td>68%</td>
<td>78%</td>
</tr>
<tr>
<td>Reduced staff</td>
<td>14%</td>
<td>26%</td>
</tr>
<tr>
<td>Increased staff compensation</td>
<td>63%</td>
<td>53%</td>
</tr>
<tr>
<td>Froze or reduced staff compensation</td>
<td>11%</td>
<td>16%</td>
</tr>
<tr>
<td>Expanded programs or services</td>
<td>66%</td>
<td>53%</td>
</tr>
<tr>
<td>Renovated a facility</td>
<td>20%</td>
<td>11%</td>
</tr>
<tr>
<td>Upgraded software to capture impact data</td>
<td>40%</td>
<td>32%</td>
</tr>
</tbody>
</table>
## Threshold Differences
Among California AAPI NPOs *Not* Struggling to Recruit or Retain Staff with Leadership Potential

<table>
<thead>
<tr>
<th></th>
<th>AAPI Clients Make Up More than 15% of Clients</th>
<th>AAPI Clients Make Up More than 50% of Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will not meet demand</td>
<td>48%</td>
<td>67%</td>
</tr>
<tr>
<td>Receive late payments from federal government</td>
<td>24%</td>
<td>20%</td>
</tr>
<tr>
<td>Receive late payments from local government</td>
<td>48%</td>
<td>40%</td>
</tr>
<tr>
<td>Reduced staff</td>
<td>15%</td>
<td>11%</td>
</tr>
<tr>
<td>Increased staff compensation</td>
<td>59%</td>
<td>68%</td>
</tr>
<tr>
<td>Froze or reduced staff compensation</td>
<td>8%</td>
<td>5%</td>
</tr>
<tr>
<td>Expanded programs or services</td>
<td>59%</td>
<td>53%</td>
</tr>
<tr>
<td>Renovated a facility</td>
<td>28%</td>
<td>21%</td>
</tr>
<tr>
<td>Upgraded software to capture impact data</td>
<td>33%</td>
<td>26%</td>
</tr>
</tbody>
</table>