



MEMBER SURVEY QUARTERLY REPORT

Of the Alexandria Council of Human Services Organizations

REPORT DATE: *April 1, 2017*

SURVEY TOPIC: *Fundraising*

With the goal to strengthen Alexandria nonprofits through shared knowledge, four times yearly ACHSO surveys its members regarding issues of interest to nonprofit organizations, their staffs, clients, and stakeholders. This is a summary report on the latest survey.

**Surveys and member responses are available online at
www.alexandriava.gov/ACHSO**

1st Quarter Survey / September 2016
*Utility of ACHSO's 2015 Needs Assessment of the
Alexandria Human Services System*

2nd Quarter Survey / December 2016
*Funding Challenges Faced by Alexandria
Nonprofits*

3rd Quarter Survey / March 2017
Institutional Collaborations and Partnerships

4th Quarter Survey / June 2017
Challenges to Investing in Staff and Volunteers

Introduction

The purpose of this 2nd Quarter Survey (“*Funding Challenges Faced by Alexandria Nonprofits*”) was to gather feedback on the challenges ACHSO member organizations, primarily its nonprofits, face in raising public funds to support their missions. This survey was conducted over 10 days, closing on January 20, 2017. Thirty-four survey responses were received, representing 69 percent of current member organizations, government agencies, and other groups. Of these respondents, 91 percent indicated that their organizations have been members of the Alexandria Council of Human Services Organizations (ACHSO) for more than 12 months.

Executive Summary

Although survey responses indicate that ACHSO member organizations are very resilient in dealing with the myriad of challenges to their financial health and wellbeing, their ability to sustain themselves, prosper, and grow in the future depends largely on the extent to which they address current weaknesses in their fundraising capacity.

Alexandria Council of Human Service Organizations (ACHSO) is a joint initiative between ACT for Alexandria and the City of Alexandria's Department of Community and Human Services (DCHS). Created in 2006, ACHSO brings together high-level City and nonprofit organizations and their leaders for benefit of the larger Alexandria community. ACHSO provides a forum to network, share best practices, build relationships and leverage resources.

Among the challenges reported by member organizations is the lack of sufficient cash reserves to help them get through unexpected financial downturns. Another challenge is the primary, if not sole dependence on executive directors to raise the funds needed to operate their organizations and support programs. Member organizations also pointed to intense competition for limited donor dollars among nonprofits as a significant and growing challenge.

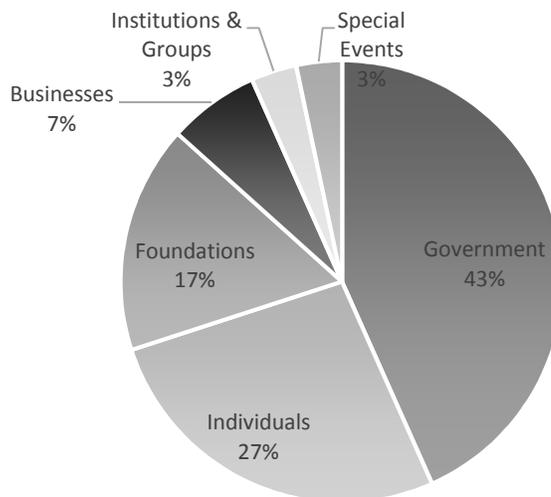
Despite these and many other challenges ACHSO member organizations faced over the past year, they were still able to achieve or exceed their fundraising objectives, maintain the level of existing programs and services, and attract considerable public support into the city to address the community’s ongoing and emerging human service needs.

A financial crisis, the untimely loss of an executive director, or other unexpected occurrence could undermine the resilience of ACHSO member organizations and, as a consequence, seriously erode the city’s capacity to support essential human service programs and services. Therefore, it is essential that the executives and boards of ACHSO member organizations take immediate steps to strengthen their fundraising capacity.

This report concludes with four recommendations for consideration by ACHSO member organization executives and their boards.

Summary Analysis of Survey Responses

1. The ability of ACHSO member organizations to sustain and grow funding streams is severely constrained by their dependence on their executive director as the sole fundraiser. *More than half (53%) of member organizations reported that their executive director is their sole or chief fundraiser.*
2. The vast majority of ACHSO member organizations lack the financial resources to address emerging human service needs in the community. *Almost all member organizations (90%) reported that their fundraising priority is to attract funds to support existing rather than new programs and services.*
3. Although ACHSO member organizations attract significant nongovernment resources into the city to address local needs in the community, there is still a heavy reliance on government to support programs and services¹. *The largest share of member organizations (43%) reported government as the primary funder of their programs and operations.*
4. ACHSO member organizations demonstrate considerable resourcefulness in the face of stagnant or reduced resources. *While the vast majority of organizations (80%) experienced either no change or a decline in public support over the prior year, they were able to maintain the level of services to the community.*



Sources of Public Support to ACHSO Member Organizations

¹ See ACHSO’s 2014 study, “Return on Investment: Alexandria Nonprofit Impact Report”.

5. The lack of cash reserves threatens not only the organizational stability of ACHSO member organizations but the continuity of programs and services essential to the health and wellbeing of the community. *Less than half (43%) of member organizations have cash reserves sufficient to weather financial downturns.*
6. The most oft-cited challenge facing nonprofits in general is uncertainty about future funding, whether private or public, while the most oft-cited challenge facing ACHSO member organizations is increased competition among nonprofits for limited donor dollars.

Recommendations

Based on our analysis of the aforementioned survey results, we submit the following recommendations for consideration by ACHSO member organization executives and their boards:

1. In order to enhance funding continuity, consider diversifying your organization's public support base, with high priority placed on securing nongovernment grants and broadening the base of individual donors to supplement increasingly uncertain government support.
2. In order to support financial stability, consider developing a strategy to build your organization's cash reserves to an amount equal to at least 6 months of operating expenses.
3. In order to maintain existing programs and establish new ones to address emerging needs, consider investing in a full-time professional fundraiser.
4. In order to better leverage scarce resources and mitigate program duplication and competition, consider opportunities for operational collaboration and/or institutional merger.

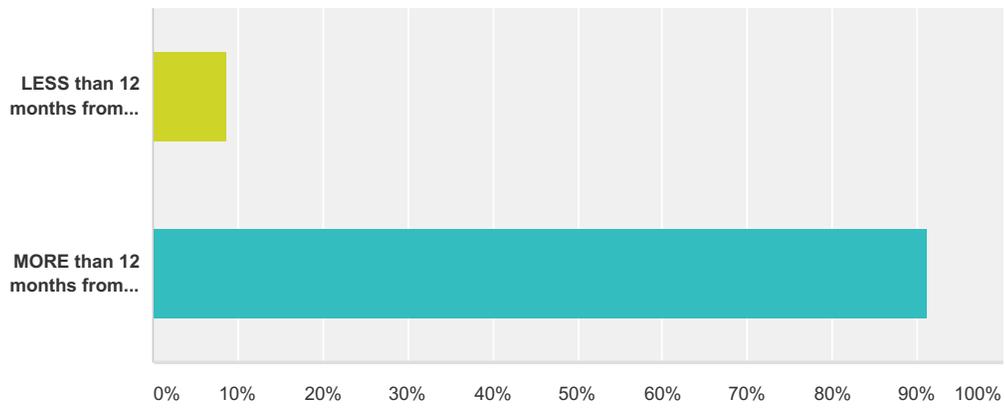
While ACHSO recognizes that these recommendations may be easier for some member organizations to implement than others, beginning the dialogue among staff and board members now is an important first step. This dialogue may help to guide the way to a stronger, healthier organization over time.

ACHSO RESEARCH COMMITTEE MEMBERS

Mary Lee Anderson
J. Glenn Hopkins, Chair
Shireen Lewis
Allen Lomax
Tammy L. Mann
Melodie Seau

Q1 How long have you or your organization been an ACHSO member?

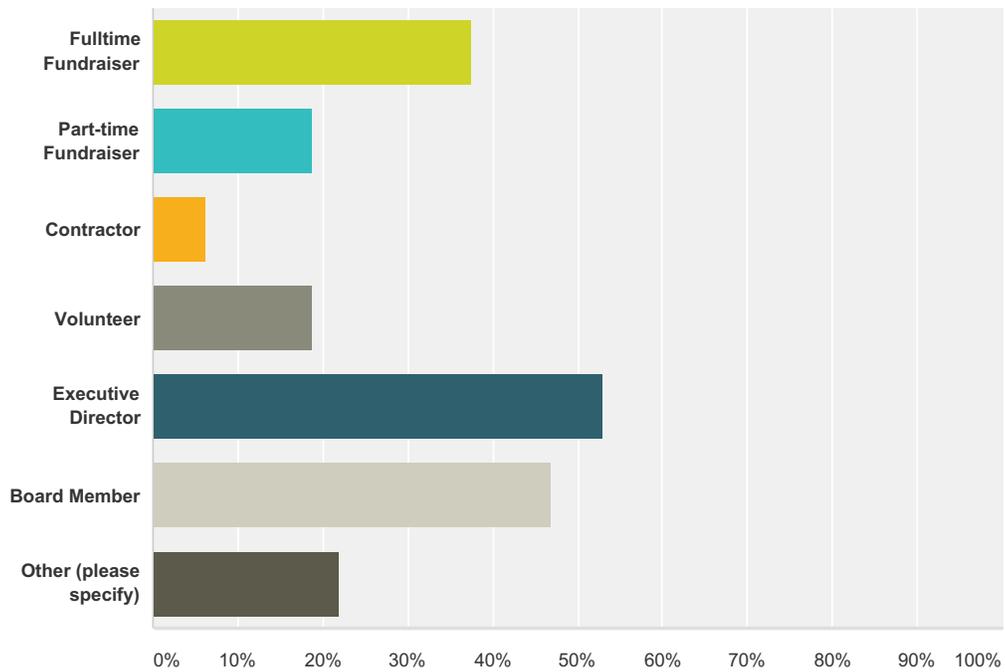
Answered: 34 Skipped: 0



Answer Choices	Responses
LESS than 12 months from today	8.82% 3
MORE than 12 months from today	91.18% 31
Total	34

Q2 How is your organization's fundraising staffed (Select all that apply)?

Answered: 32 Skipped: 2

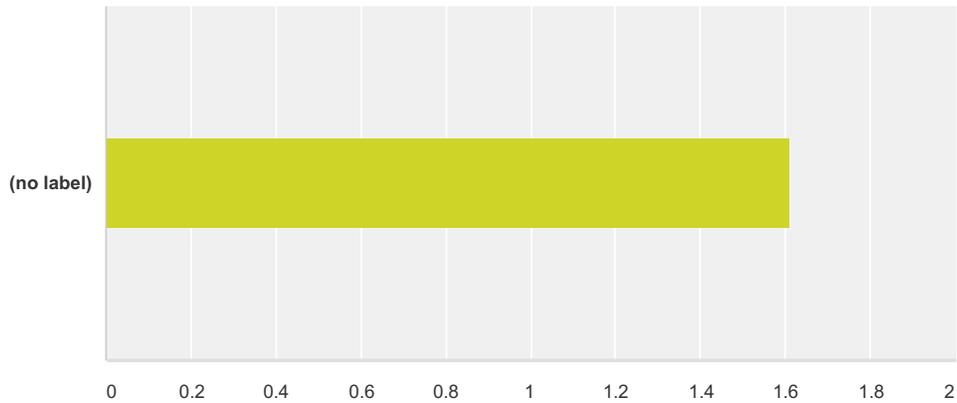


Answer Choices	Responses
Fulltime Fundraiser	37.50% 12
Part-time Fundraiser	18.75% 6
Contractor	6.25% 2
Volunteer	18.75% 6
Executive Director	53.13% 17
Board Member	46.88% 15
Other (please specify)	21.88% 7
Total Respondents: 32	

#	Other (please specify)	Date
1	Marketing Coordinator and Director of Community Engagement	1/19/2017 12:38 PM
2	Program staff	1/19/2017 9:04 AM
3	We are a government agency	1/13/2017 10:23 AM
4	We have not traditionally fundraised in the past, but the Operations Manager is taking the lead in starting a new campaign for the organization.	1/13/2017 9:49 AM
5	Development Committee	1/13/2017 9:20 AM
6	Director of Community Relations and other staff occasionally write grant proposals	1/9/2017 4:19 PM
7	City tax supported	1/9/2017 12:01 PM

Q3 What is the top priority for your organization's funding needs?

Answered: 31 Skipped: 3

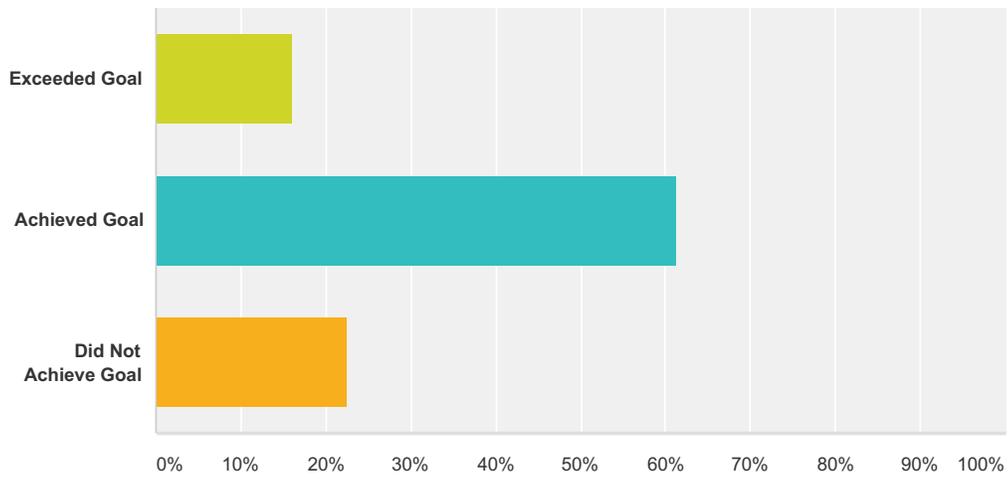


	Existing Program Support	New Program (non-administrative) Support	Administrative (non-program) Support	Capital Projects	Total	Weighted Average
(no label)	64.52% 20	9.68% 3	25.81% 8	0.00% 0	31	1.61

#	Other (please specify)	Date
1	Existing Program Support and Administrative Support are equal	1/9/2017 12:05 PM

Q4 To what extent has your organization achieved its latest fundraising goal?

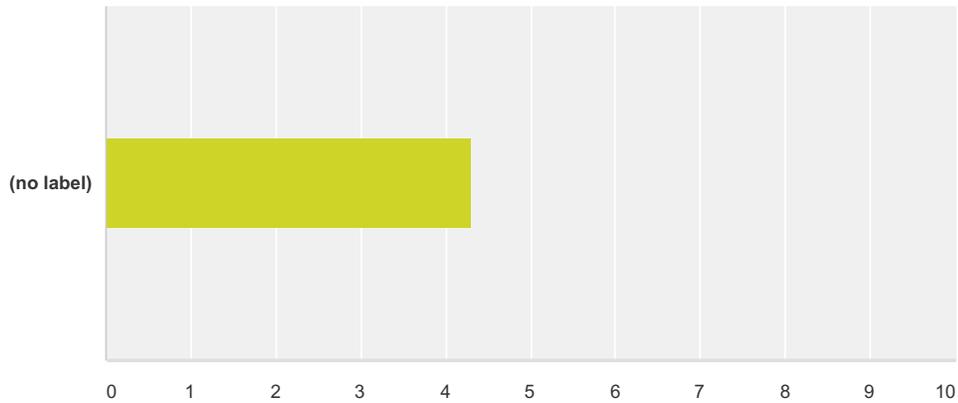
Answered: 31 Skipped: 3



Answer Choices	Responses
Exceeded Goal	16.13% 5
Achieved Goal	61.29% 19
Did Not Achieve Goal	22.58% 7
Total	31

Q5 What is the largest source of your organization's public support?

Answered: 30 Skipped: 4

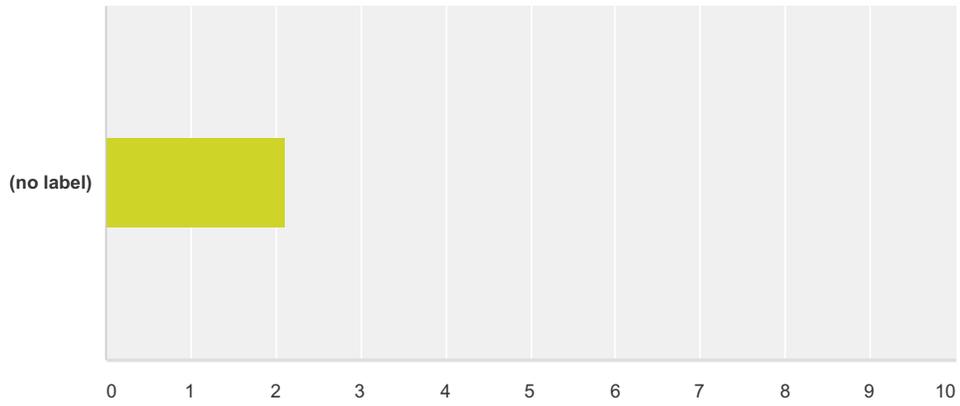


	Individuals	Foundations	Businesses	Faith Institutions & Organizations (e.g. club, fraternity/sorority, civic, etc.)	Special Events	Federal Government	State Government	Local Government	Total	Weighted Average
(no label)	26.67% 8	16.67% 5	6.67% 2	3.33% 1	3.33% 1	3.33% 1	20.00% 6	20.00% 6	30	4.30

#	Other (please specify)	Date
1	Businesses supporting Special Events	1/13/2017 9:23 AM
2	Individuals, Foundations and Business pretty much the same as leading sources.	1/10/2017 2:28 PM

Q6 What change in funding from this largest source of public support did your organization experience during this period, if any?

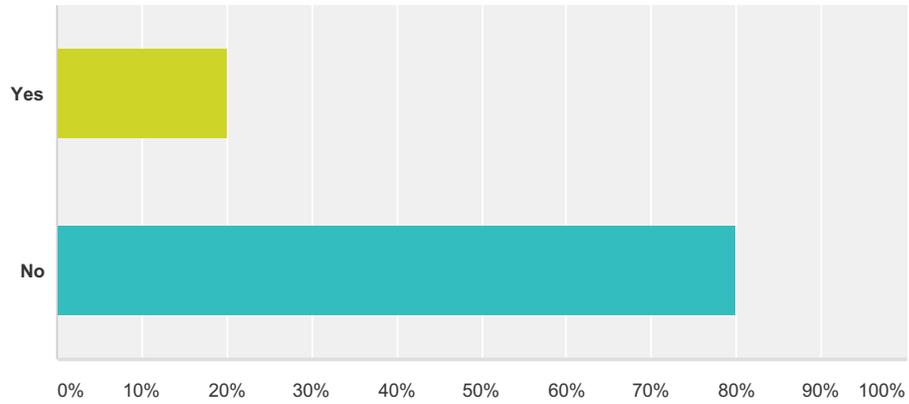
Answered: 30 Skipped: 4



	Increased	Unchanged	Decreased	Total	Weighted Average
(no label)	20.00% 6	50.00% 15	30.00% 9	30	2.10

Q7 Has your organization’s programming or services changed as a result of this funding change?

Answered: 30 Skipped: 4



Answer Choices	Responses	
Yes	20.00%	6
No	80.00%	24
Total		30

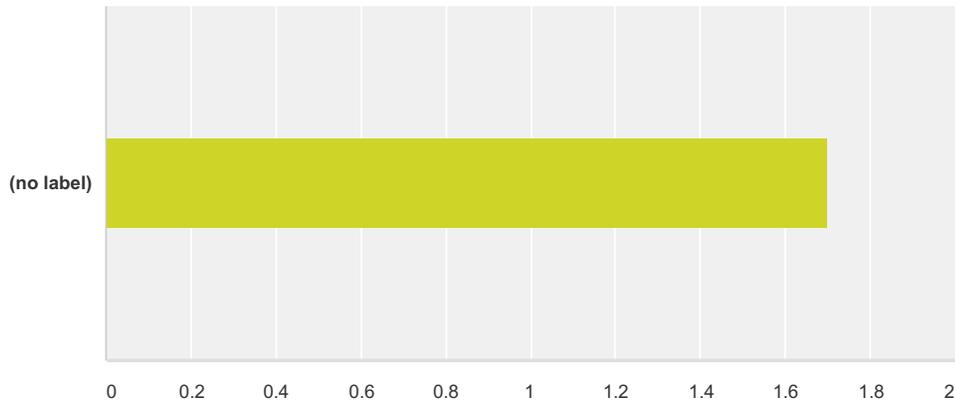
Q8 How has your organization's programming or services changed?

Answered: 6 Skipped: 28

#	Responses	Date
1	We have added a part-time position as well as another program.	1/19/2017 10:39 AM
2	greater demands on staff to keep up with client need	1/13/2017 11:21 AM
3	Serve fewer	1/13/2017 8:40 AM
4	More capacity and access to all	1/10/2017 2:50 PM
5	We have increased the number of middle- and upper-income, nongovernment supported clients served.	1/9/2017 12:35 PM
6	Reduced services & operational hours	1/9/2017 12:02 PM

Q9 Does your organization have endowment funds?

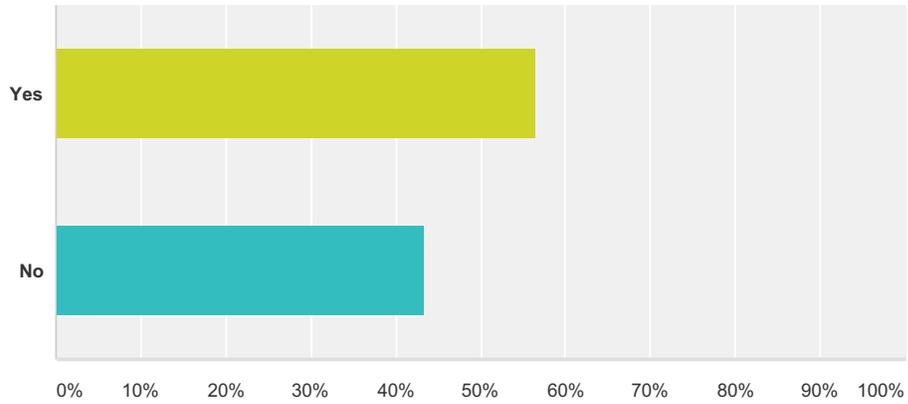
Answered: 30 Skipped: 4



	Yes	No	Total	Weighted Average
(no label)	30.00% 9	70.00% 21	30	1.70

Q10 Does your organization have reserve funds equal to 6-months or more of your current operating budget?

Answered: 30 Skipped: 4



Answer Choices	Responses	
Yes	56.67%	17
No	43.33%	13
Total		30

Q11 What do you see as the main fundraising challenge facing nonprofits generally today:

Answered: 30 Skipped: 4

#	Responses	Date
1	time invested in grant writing with uncertain results	1/20/2017 7:14 AM
2	Charitable giving concerns relative to governmental decision making.	1/19/2017 3:32 PM
3	Competition and rising costs.	1/19/2017 2:22 PM
4	Finding new donors to support the organization.	1/19/2017 1:11 PM
5	Administrative support	1/19/2017 12:42 PM
6	Standing out in a crowded field of organizations asking for support	1/19/2017 10:47 AM
7	Gaining monthly donors and retaining current ones.	1/19/2017 10:40 AM
8	long term grant funding	1/19/2017 9:49 AM
9	the reticence to fund essential support staff	1/19/2017 9:06 AM
10	Decreased public funding so increased need for direct community contributions	1/19/2017 9:03 AM
11	Staff turnover	1/13/2017 11:45 AM
12	educating donors to invest in the backbone (not overhead) of the organization	1/13/2017 11:22 AM
13	diversification of funding sources and finding new grant sources	1/13/2017 11:07 AM
14	Lacking capacity; need more general operating funds to grow internally and create virtuous cycle.	1/13/2017 10:25 AM
15	competition of funding sources	1/13/2017 9:51 AM
16	Uncertain public funding landscape	1/13/2017 9:35 AM
17	Resources to do the job. Small NP often don't have capacity to do fundraising as they need to	1/13/2017 9:26 AM
18	The landscape has changed. There are no more large corporate funders like Freddie Mac therefor fundraising staff has to work so much harder to bring in dozens and dozens of funders to make up for that loss. It's nearly impossible.	1/13/2017 9:07 AM
19	for us, we're still making do without a development person on staff, which is difficult. resources are fewer and competition tighter. while this makes us more innovative, it also means lots more staff time/energy/resources from programs/clients goes toward fundraising rather than supporting them.	1/13/2017 8:52 AM
20	Spending the time to MAINTAIN current funding WHILE increasing and/or developing new fundriasing options	1/13/2017 8:43 AM
21	too many non profits	1/13/2017 8:27 AM
22	Story to tell	1/10/2017 2:51 PM
23	Growing the resources to meet the growing needs. Funding remains steady, with individuals and foundations remaining constant, but Government funding decreases so it is hard to expand services to meet the growing need for our services and to keep up with increased costs.	1/10/2017 2:32 PM
24	no-one on staff fully dedicated to the role	1/9/2017 7:16 PM
25	Decrease in grant funding and more competition for limited grant funding	1/9/2017 4:21 PM
26	uncertainty w/ economy over the next 4 years	1/9/2017 2:17 PM
27	Competition from other and new nonprofits providing the same or similar services.	1/9/2017 12:37 PM
28	The need to grow # of individual donors and new foundations to provide grants and to compensate for foundation grant term limits and donor fatigue	1/9/2017 12:09 PM
29	Tight resources in the business community	1/9/2017 12:07 PM
30	Sustainability, retaining donors	1/9/2017 11:50 AM

Q12 What do you see as the main fundraising challenge facing ALEXANDRIA nonprofits today:

Answered: 25 Skipped: 9

#	Responses	Date
1	time and drain on staff resources to write grants & participate in fundraising events	1/20/2017 7:14 AM
2	Multiple "asks" from variety of organizations.	1/19/2017 3:32 PM
3	Same - competition for local dollars	1/19/2017 2:22 PM
4	Tapping into the same donors and businesses as everyone else.	1/19/2017 1:11 PM
5	Donation fatigue from supporters assailed on all fronts by many non-profits	1/19/2017 10:47 AM
6	Not sure.	1/19/2017 10:40 AM
7	a general lack of funding	1/19/2017 9:06 AM
8	Tapping more of our community to give locally	1/19/2017 9:03 AM
9	Declining local foundation dollars	1/13/2017 11:45 AM
10	competition among nonprofits for the same pool of donors, board members and volunteers	1/13/2017 11:22 AM
11	small jurisdiction, limited pool of local support and local government budget challenges	1/13/2017 11:07 AM
12	competition of funding sources	1/13/2017 9:51 AM
13	Competition for limited dollars	1/13/2017 9:35 AM
14	competition due to number of events and agencies	1/13/2017 9:26 AM
15	There are just so many nonprofits in Alexandria competing for the same pools of money and there is only so much to go around in our limited geography that it seems like consolidation of nonprofits or collaboration of services is a must for all to prosper.	1/13/2017 9:07 AM
16	Tapping the same people/donors, same funders, not enough collaboration	1/13/2017 8:52 AM
17	So many nonprofits providing very valuable services that we all seek financial support from the same sources. These sources want to support many organizations, so the amounts are diluted....	1/13/2017 8:43 AM
18	too many non profits	1/13/2017 8:27 AM
19	?	1/10/2017 2:51 PM
20	Government funding decreasing. Local government funding was the only source that decreased funding this year, amidst an increase in need for our services.	1/10/2017 2:32 PM
21	same	1/9/2017 7:16 PM
22	too few resources in Alex that everyone taps	1/9/2017 2:17 PM
23	The growing number of nonprofits soliciting the same pool of donors.	1/9/2017 12:37 PM
24	Same as above and also the ability to find and fund free and low-cost space to operate programs	1/9/2017 12:09 PM
25	Smaller pool of individual, foundation, corporate donors. Too many nonprofits.	1/9/2017 11:50 AM