



*Helping Organizations
Take the Next Step*

A NewLevel Group Report: ***“Issues Facing Napa County Nonprofits Today”***

From a survey conducted by NewLevel Group in June, 2006

In order to better understand the issues that Napa County nonprofits face, NewLevel Group recently asked local nonprofit leaders for information about fundraising trends, key issues, and the services they feel are most needed to make their organizations more effective. This report highlights some of the survey results.

METHODOLOGY

A list of 230 nonprofit leaders was developed using NewLevel Group's database along with help from the Community Foundation of the Napa Valley. Fifteen questions were programmed using an online survey tool and emailed to the list. A follow-up email was also sent to remind recipients to complete the survey. A total of 70 individuals responded to the survey, representing slightly more than a 30% response rate.

NONPROFIT PROFILES

The nonprofits surveyed covered a wide range of sectors, with the majority of respondents coming from health and social services sectors. Agriculture, arts, and housing were also well represented. Respondents reported that the populations they most often served were Latinos, the disabled, homeless, and youth.

37.5% of the organizations surveyed employ 3-10 staff members, and 21.9% employ more than 50. 31.2% utilize the services of 1-5 volunteers – 23.4% use more than 20 volunteers.

46% of the nonprofits surveyed have annual operating revenue of \$1,000,000 and up. 4.9% have a budget of \$100,000 to \$250,000 per year. 81.8% of the revenue comes from donations, followed closely by grants at 79.5%.

SURVEY HIGHLIGHTS

Fundraising Trends

The vast majority of nonprofits reported that their donations either went up in 2005 (46%), or stayed the same (36%). Only 18% said that their donations went down. These findings are consistent with the findings of *Giving USA*, the annual tally of philanthropy in the United States, which announced that Americans donated \$260.3 billion to charity last year, an increase of 2.7 percent after inflation. According to the report, about half of last year's \$15 billion increase in donations over 2004 was given in response to three natural disasters: the Indonesian tsunamis, the Gulf Coast hurricanes, and the earthquake in Pakistan. However, when disaster gifts are excluded from the tally, donations to charity were about even with 2004.

Greatest Immediate Challenge

Despite the encouraging increase in donations, 49% of the nonprofits responding indicated that fundraising was still their greatest immediate challenge. An understandable concern given the volatile economy, unrest in the Middle East, and surging gasoline prices – all of which could have an impact on individual donors' giving. Nonprofits are realizing that they must adopt professional strategies in order to compete for donor dollars.

Marketing Materials & Fundraising Skills Needed

When asked what services organizations need to become more effective, the overwhelming response was marketing materials and fundraising, followed closely by public relations and grant writing. NewLevel Group has found that organizations which have the tools they need to be effective in their fundraising, such as the development of their fundraising skills and techniques, combined with a well-articulated message, are more successful in achieving their fundraising goals and raising public awareness.

Developing Future Leadership

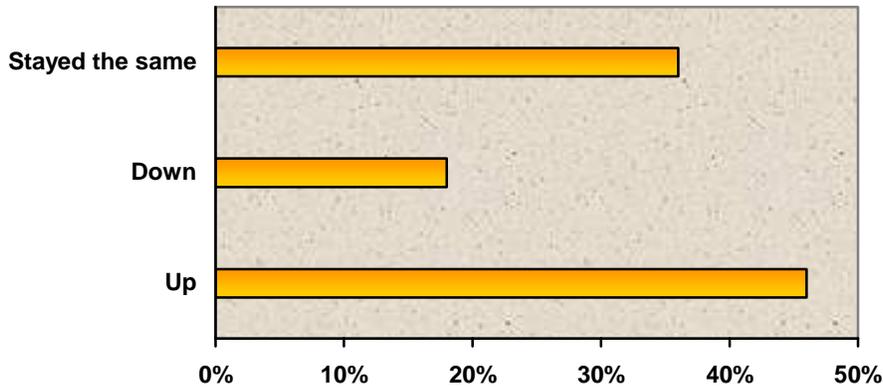
The services that would most benefit the organizations surveyed as a whole were the development of future leadership, as indicated by 68.2% of the respondents. Strategic planning would be most beneficial to 50% of the organizations, with development of effective collaborations and effective employee recruitment following closely with 31.8% and 36.4% respectively.

Indeed, the looming leadership deficit is a phenomenon that will likely have a significant impact on the nonprofit sector. At a time when the sector is rapidly expanding (between 1995 and 2004, the number of nonprofits grew at a compound growth rate of 69%), baby boom executives are retiring and the available labor pool will soon be insufficient to meet demand.

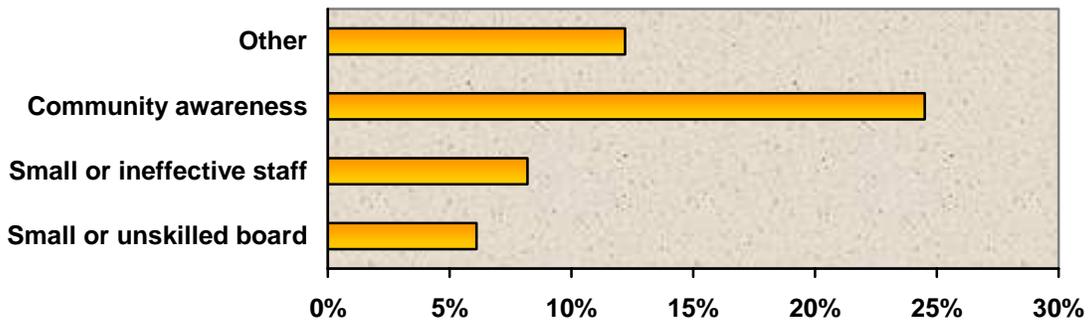
According to a recent national study by Bridgespan Group that was published in *Stanford Social Innovation Review*, “Over the next decade, nonprofits will need to find some 640,000 new executives, nearly two and a half times the number currently employed.” The implications are staggering: more than 50 percent of every MBA graduating class, at every university across the country, every year for the next 10 years would have to be recruited to the nonprofit sector to meet projected demand.

REPORT GRAPHS

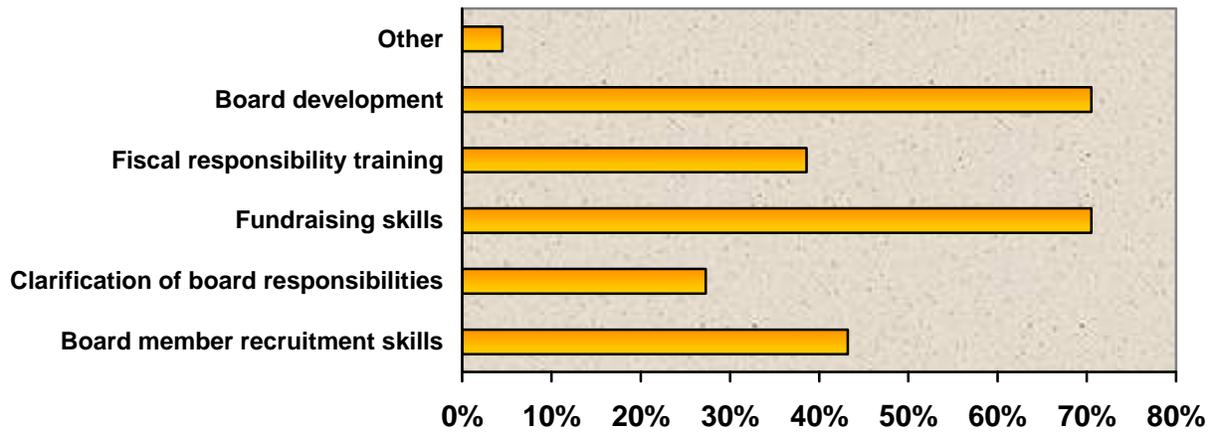
In the past year, have your donations gone up, down, or stayed the same?



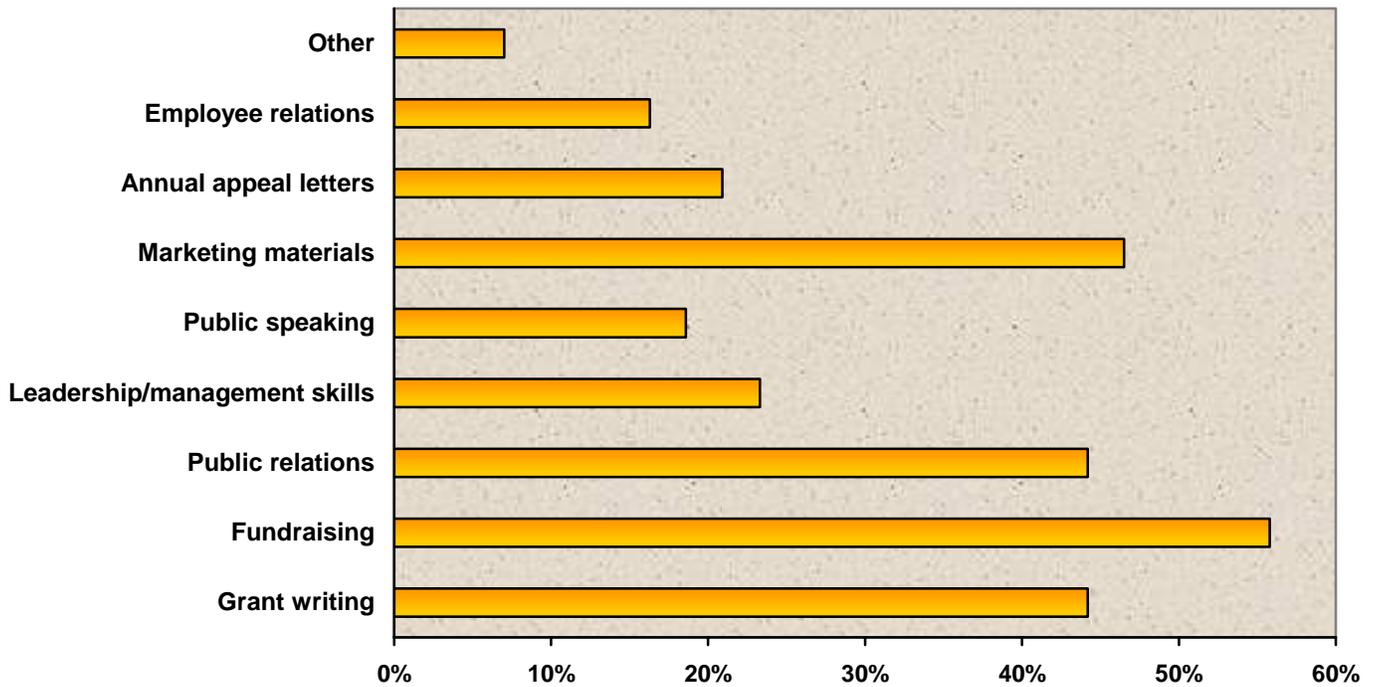
What is your greatest immediate challenge?



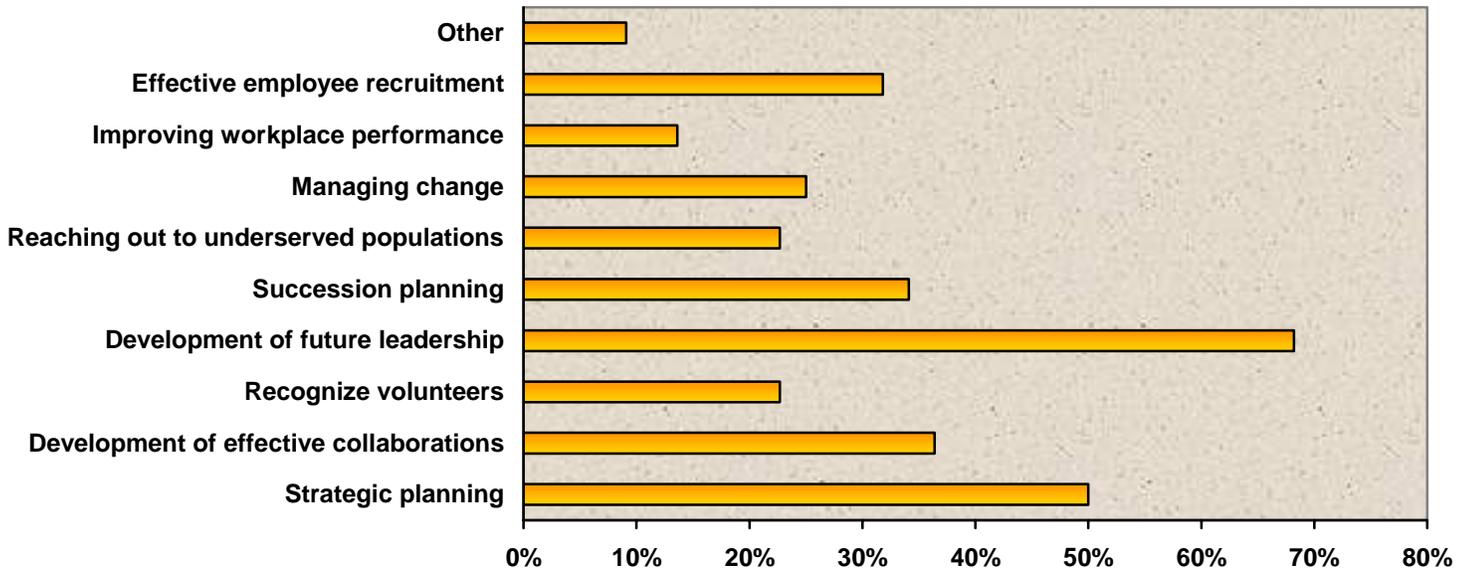
What services do you need to help your board?



What services do you need to help your organization become more effective?



What services would most benefit your organization as a whole?



Located in Napa, California, NewLevel Group, LLC helps businesses and nonprofits improve results by providing management and marketing services. For further information, visit the website at www.newlevelgroup.com or call Lisa Toller at (707) 255-5555 x 103.