

The background of the slide features a stylized graphic. In the upper right, there is a bar chart with several vertical bars in blue, orange, and green. Below the chart, a fountain pen with a dark, textured barrel and a silver-colored nib lies diagonally across a sheet of white graph paper. The graph paper has a light blue grid pattern. The entire scene is set against a backdrop of soft, overlapping blue and white curved shapes.

Putting Knowledge to Work: The State of Central Florida's Human Services Sector

January 2013

COMMUNITY FOUNDATION
of Central Florida

Using aggregate data from the
Community Foundation
Knowledge Base to understand
the health of Central Florida's
Independent Sector



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COMMUNITY FOUNDATION
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This is NOT A Report Card!



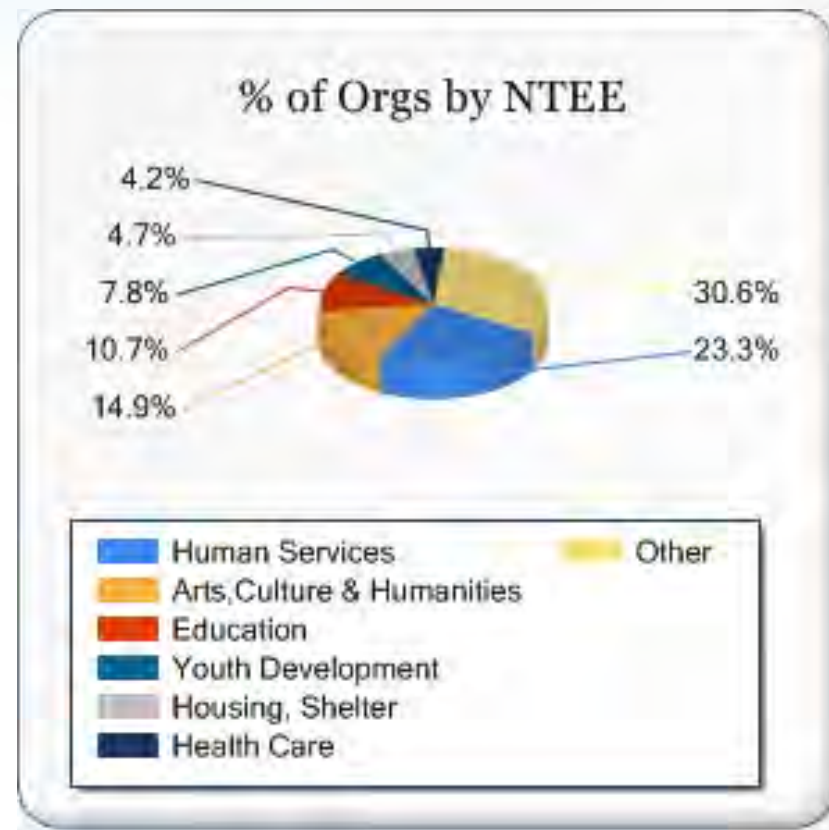
Nonprofit Sector Analysis – 2013

Turning Data into Knowledge

The Universe

- 232 *Reviewed* Portraits
- Data from 468 available for this Report

Data was collected from the Community Foundation Knowledge Base as of December 2012.

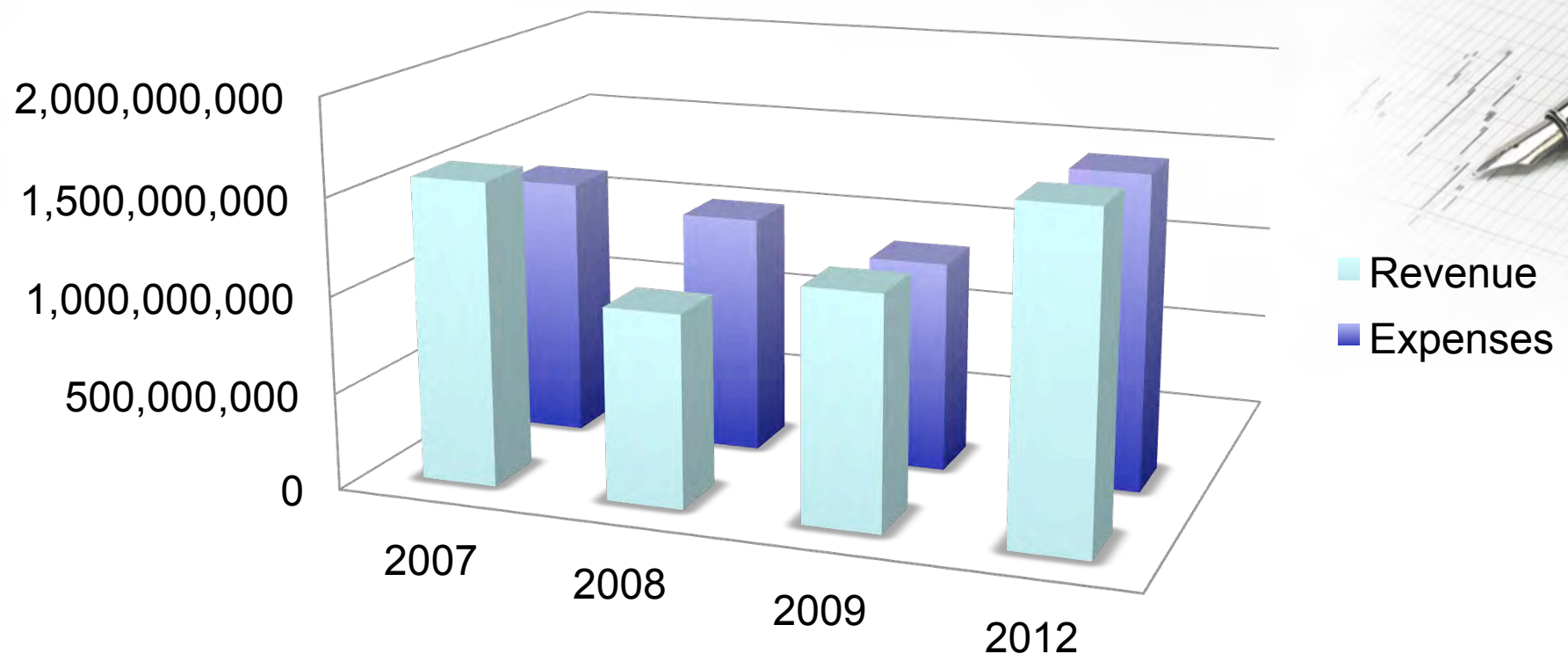


Context for the Data



Revenue & Expenses Index Nonprofit Organizations in Central Florida Sample (339)

State of the Whole Nonprofit Sector



Revenue: \$ 1,684,057,394
Expenses: \$1,626,461,000

Then ... and Now – A New World!



Growth, Expansion, Year over Year Funding

Capacity and Sustainability
Driven by Philanthropy



“Maybe in some mythic past it was possible to think first about strategic impact goals, and then about how to raise the money...”

Nonprofit Sustainability: Making Strategic Decisions for Financial Viability

Jeanne Bell, Jan Masaoka, and Steve Zimmerman

Local Retail Market Conditions

Orlando Metro Charitable Giving for the Entire Nonprofit Sector

- Ranks 41 out of 366 Metros for giving
- Total Contributions last year: \$697.9 Million
- Median Contribution: \$2518

Source: Chronicle of Philanthropy 2011

National State of Giving

Adjusted for the Central Florida Region

National Giving up 6.7% over 2011

- **Total: \$369.23**
 - 36% Religion \$131.84 up 4.2%
- 9% Health \$31.67 up 5.8%
- 16% Education \$59.92 up 8.8%
- 11% Human / Disaster \$41.85 up 8.8%
- 4% Arts \$16.22 up 8.0%
- 8% Society Benefit \$28.34 up 7.8%
- 2% Nature / Env. \$7.86 up 10.9%
- 5% International \$18.02 up 7.3%
- 9% Unallocated \$34.41 up 9.0%

Source: Atlas of Giving – December 31, 2012

Definitions Behind the Data

- Capacity is infrastructure, tools, and resources necessary to do the job identified in the mission and/or strategic plan.
- Sustainability is an “orientation, not a destination.”
 - Doing what is required “to meet the needs of the present without compromising the ability of future generations to meet their own needs.” [United Nations Definition](#)
 - “The Capacity to Endure.” [Wikipedia](#)

Source: Blue Avocado.org

Turning Data Into Knowledge



Capacity - Governance Measures

Indicates Volunteer Leader Capacity

- Average Number of Board Members **13 (up from 2010)**
- Average Board Meeting attendance **(76% up from 74% in 2010)**
- Average Board Investment **74% (down from 76% in 2010)**



- » Almost 3,100 Board Members in the sample
- » Average Board meets 7 times a year

Sample: 232 Organizations,
December, 2012

Capacity - *Management Measures*

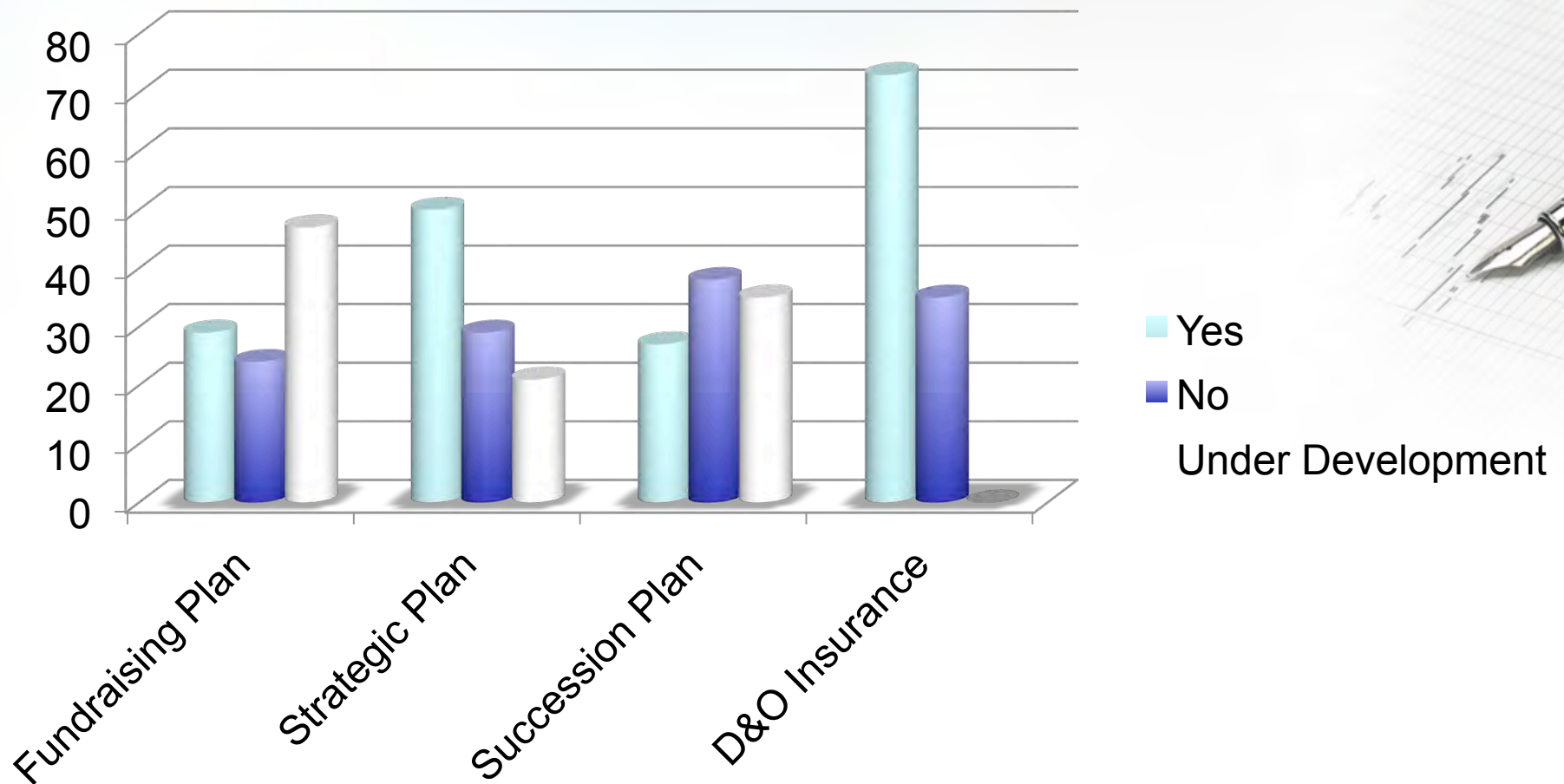
Indication of the strength of Management

- 79% of CEOs get an annual performance review (up from 76% in 2010)
- 81% conduct an annual performance review of senior staff (up from 77% in 2010)
- Sample engages 207,000 volunteers
- Sample employs more than 17,000 people
- More nonprofits have document destruction policies than have fundraising plans
- 85% are registered with the State for Charitable Solicitations
- Median CEO compensation is \$69,000

Sample: 232 Organizations, December, 2012

Capacity - Management Measures

Indication of the strength of infrastructure



Sample: 468 Organizations, December, 2012

Sustainability – *Capital*

Access to Capital is a key to Sustainability

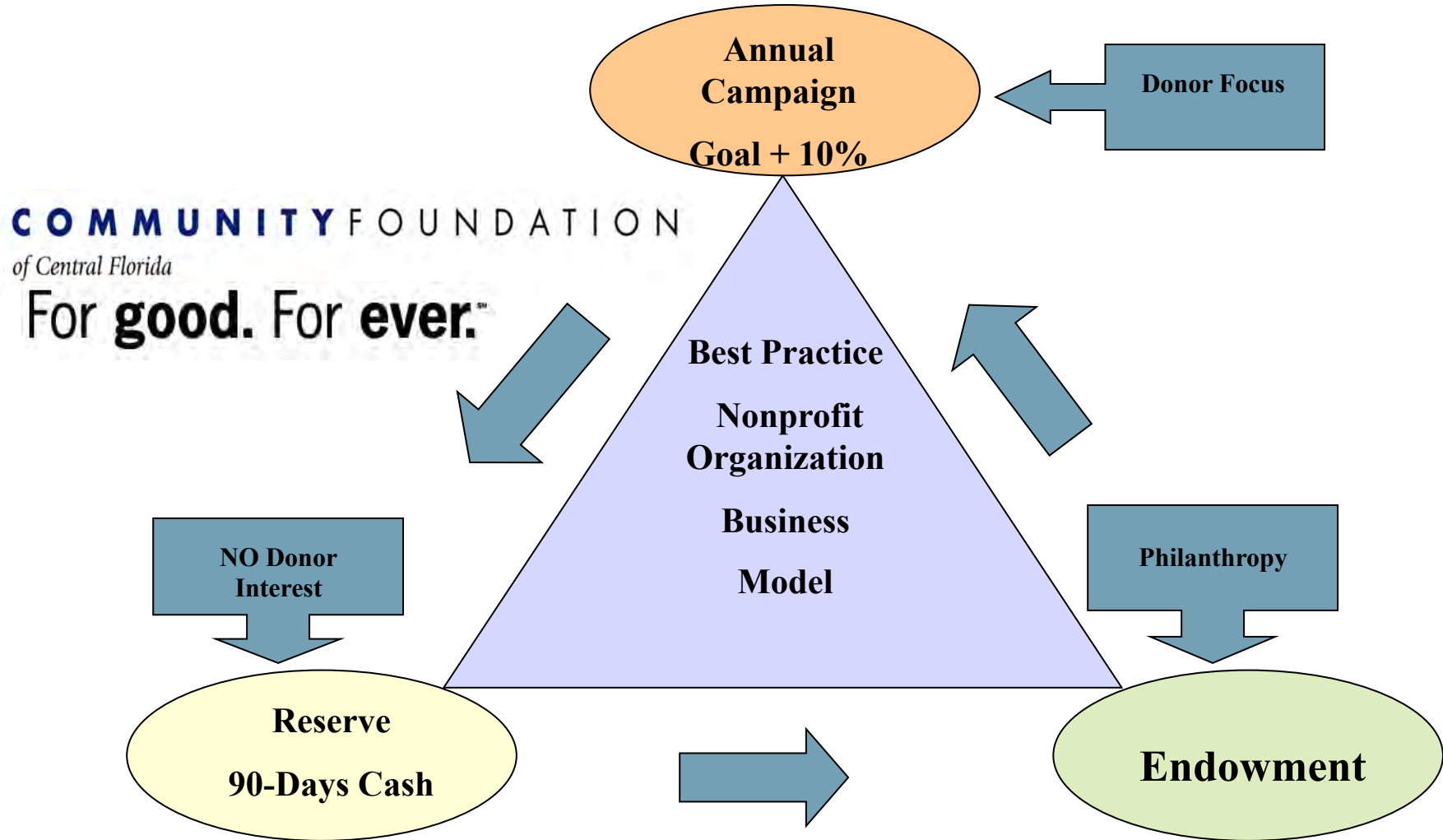
Large Print Disclaimer



Lawyers and Accountants Never Agree

Note: Many nonprofits report “endowment” that does not qualify under legal parameters, accounting rules, or UPMIFA in order to qualify for grants or meet funder requirements. The following data reflects actual Permanent Endowment as reported in audited financial statements, which must be permanently restricted by a donor and cannot be invaded. Some of this money is held and managed by the nonprofits themselves, by third parties in Trust instruments, or is at the Community Foundation. Many organizations refer to Board Restricted funds as “endowment,” however this is technically Reserve, because what a Board restricts, it can un-restrict or invade.

A profitable Annual Campaign supports a growing Reserve. The Strategic Plan should focus the organization toward Effective Outcomes that create a profit. This money comes from all sources. The profit is moved to Reserve.



This portfolio is usually managed by the Board and an Investment Committee, and can grow or shrink to match planning and economic expectations. This is the number of days of cash-on-hand the organization has to run the business.

Permanent Endowment is donor restricted or held at the Community Foundation, sending a credible signal of sustainability to funders and donors. Boards concentrate on the mission of raising endowment assets for the organization, and overseeing the use of those funds.

Sustainability - Capital

Access to Capital

- Endowment – 46 (\$446M). One outlier has a \$375M endowment. So, 45 organizations have endowments totaling \$71M, which provided \$3M in support against \$1.1B in operating expenses.
- Capital Campaigns – 19 = \$153M with \$17M raised to date. 53% are “at pace,” with the majority of the campaigns ending in 2015, 2016, or 2017. 33 anticipate a future campaign.

Disclaimer Invoked!

Sample: 176 Organizations, December, 2012

Sustainability - Revenue/Overhead

Key Strategic Measures Watched by Investors

- Total Government Funding – Almost \$70 million
- Total Funding from Individuals – Almost \$71 million
- Total Foundation and Corporations – Almost \$21 million
- Earned Revenue - \$124 million
- Special Events - \$10 million
- In-Kind – \$107.5 million (Second Harvest and Goodwill make up \$71M)
- Average Overhead 7%*
- Average Fundraising Cost 6.8% *
- Average Staff Retention is 82%



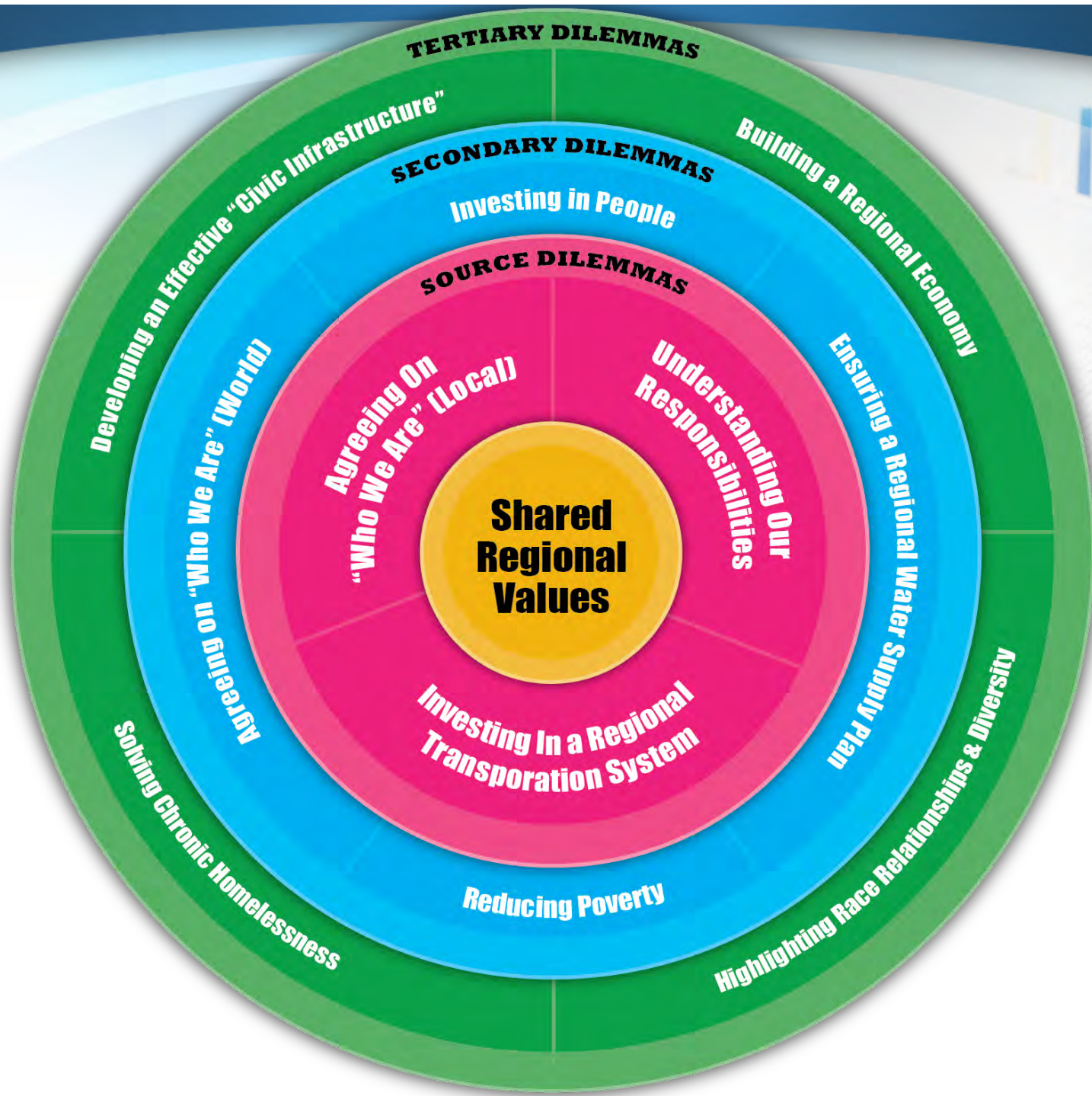
Sample: 122 Organization Audits, December, 2012

* 228 Organizations in sample

Top Three Questions Boards are asking in Strategic Planning Sessions

- How has our “business model” changed in the last three years?
- What does “engagement” mean to us? How do we engage donors, constituents, our volunteer leaders, and community leaders?
- What part of our work is “transformative?” Why?





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