The State of Nonprofits in Santa Barbara County

2025 Research Findings

SANTA BARBARA
FOUNDATION

Founded in 1928, the **Santa Barbara Foundation** actively connects donors, nonprofits, government, businesses and the people of Santa Barbara County to take on the most challenging needs facing our region's communities. Recognizing that its work depends on the strength of the social sector, the Foundation is committed to the health and vitality of local nonprofits. Knowing that together we can do more, the Foundation mobilizes charitable giving and connects their expertise to that of donors, nonprofits, and residents to create meaningful impact on the communities of our county. To learn more, please visit SBFoundation.org.

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DataLake Nonprofit Research helps organizations understand and serve their communities. Nonprofits and philanthropies depend on research to make big decisions.

Jon Durnford, MBA, Principal

The Center for Evaluation and Assessment (CEA) at the University of California, Santa Barbara (UCSB) is a center that specializes in enhancing social programs through evaluation and research. The CEA's work spans across various fields, such as education, health, and social services. The CEA aims to provide practical and effective insights that support the continuous development of programs and policies.

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The Center for Evaluation & Assessment at UCSB and the Santa Barbara Foundation would like to acknowledge the Santa Barbara County nonprofit organization leaders and workforce members that took the time to participate in the survey and share valuable insights on the state of their work.

Thanks also to the Towbes Foundation for their generous support of this research and their commitment to strengthening the nonprofit sector, which made this work possible.

Legend

Icons are used throughout this report to distinguish between data sources. Leader data is represented in orange and green, while workforce data is represented in blue.

L Leader Survey Data

WF Workforce Survey Data

Introduction

Building on the inaugural study, this third edition provides a comprehensive, data-driven analysis of Santa Barbara County's nonprofit landscape, with particular attention to changes in federal funding and policy as the sector moves beyond pandemic-era recovery. Set against inflationary pressures and sustained service demands, these findings offer an empirical reference for funders, practitioners, and government agencies, while contributing to the longitudinal study of the local nonprofit industry.

Report flow

This report, developed by the Center for Evaluation & Assessment (CEA) at UCSB, synthesizes longitudinal data from multiple sources to provide a holistic overview of Santa Barbara County's nonprofit sector. In this edition, data from the nonprofit workforce is integrated alongside leadership perspectives throughout the analysis. While the report structure is informed by primary survey themes, the data is organized to align with the specific informational needs of the county. This includes the incorporation of IRS filings within the financial analysis and California Employment Development Department (EDD) data. The report begins with an overview of the participating leaders and workforce members, followed by an assessment of the sector's scale and composition, before providing detailed observations on specific sector topics.

How to use this report

Broaden regional awareness: Foster a deeper understanding among donors, funders, public officials, and practitioners regarding the strengths and evolving variables within the nonprofit sector.

Inform organizational strategy: Provide findings that can be incorporated into strategies to help organizations refine their leadership and management practices.

Support resource alignment: Offer data to assist in targeted efforts aimed at encouraging continued investment in the nonprofit sector.

Identify research priorities: Analyze the data to pinpoint key areas that may benefit from further investigation or longitudinal study.

SBF Recommendations

At the end of this report readers can find recommendations and commentary from the Santa Barbara Foundation.

The Foundation looks forward to further conversations on the topic areas covered here and others, which stakeholders would want to see in the future as part of a regular assessment of the State of the Nonprofit Sector.

Methodology

The report uses various sources of data, including:

1) financial data on tax-exempt nonprofits from the IRS Tax Form 990, as well as employment data from the California Employment Development Department that has been compiled and analyzed by DataLake LLC;
2) a survey for nonprofit leaders that was originally created by The Nonprofit Institute (NPI) at the University of San Diego and modified, analyzed, and administered by the Center for Evaluation & Assessment (CEA) at the University of California Santa Barbara (UCSB) in partnership with the Santa Barbara Foundation; and
3) a survey for nonprofit workforce professionals that was designed, facilitated, and analyzed by the Center for Evaluation & Assessment (CEA).

Data sources

IRS Business Master File (BMF) of exempt organizations, circa 2023.

This data source was used to analyze data on the number of public charities and private foundations, classified by subsector based on groupings of National Taxonomy of Exempt Entities (NTEE).

Labor Market Information Division, California Economic Development Department (2024)

This data source was used to summarize nonprofit employment and wages.

IRS Form 990 and 990-EZ public charity returns, circa 2019-2023 (IRS e-File and GuideStar digitized datasets)

This data source was used to analyze trends in nonprofit financials, including the sector's revenues, assets, and expenses.

2025 Annual nonprofit leader survey of Santa Barbara County

This survey of 105 nonprofit leaders collected information on nonprofits' demand for services, financial outlook, organizational capacity, and sector trends. The survey was administered online between April and June 2025 and is a convenience sample of Santa Barbara County's nonprofit sector. Demographic on participating nonprofits is provided on pages 9, 10, and 95.

2025 Santa Barbara County nonprofit workforce survey

To capture diverse perspectives, a survey of 92 nonprofit workforce members collected information on nonprofits' employment, personal challenges, and organizational capacity. The survey was administered online between May and July 2025 and is a convenience sample of Santa Barbara County's nonprofit workforce sector. Demographic on participating nonprofits is provided on pages 12 and 94.

Data notes

Percentages in this report may not always total 100% due to rounding.

Data in tables may not equal totals due to individual information withheld in 990/EDD data due to privacy concerns.

As majority of nonprofits are relatively small, unless otherwise noted, data presented from IRS 990 does not include higher education, hospitals, and Direct Relief, as these organizations represent more than half of total revenue and expenses in Santa Barbara County's nonprofit sector.

Analysis

The data analysis involved both quantitative and qualitative methods. The analysis also included cross-referencing the quantitative and qualitative data to look for patterns across responses.

The quantitative analysis involved both descriptive (e.g., frequencies, percentages, means, etc.) and comparative statistics (e.g., crosstabs, chi-square, etc.). The data were cleaned to eliminate missing data or questions answered outside the realm of possible responses. The results were arranged into tables and visualizations to facilitate a clear representation of the data.

The qualitative analysis followed a rigorous, multi-stage human-AI collaborative process characterized by an open coding approach to identify patterns and themes directly from the raw data. The process comprised seven primary stages: data cleaning, an initial human review for contextual grounding, and a manual identification of emergent themes. Following this, CoLoop (an AI-based qualitative analysis tool) was utilized for initial automated analysis to organize broad structural categories, while Google Gemini facilitated a secondary, more granular analysis. This secondary phase included an emergent coding review, thematic synthesis to consolidate overlapping categories, and the strategic identification of exemplar quotations.

Because qualitative data are fluid, themes were not mutually exclusive; coded segments were often represented across multiple categories to capture the complexity of the responses. The qualitative figures in this report display the most frequently cited themes. Visual size is used to represent the relative frequency of mention, to reflect the qualitative character of the data. The *n* reported for each question reflects all respondents who answered it, regardless of whether their response is represented in the figures.

To ensure the highest level of rigor, quotations were edited and amended for grammar and clarity, followed by a final human verification phase. This step involved cross-referencing every AI-selected quote against the original raw transcripts to confirm accuracy, context, and authenticity. By maintaining this human-led audit trail, the research team ensured that the final narrative remained strictly rooted in the participants' actual voices, mitigating the risk of AI-generated misattributions.

Participating Organization Leaders

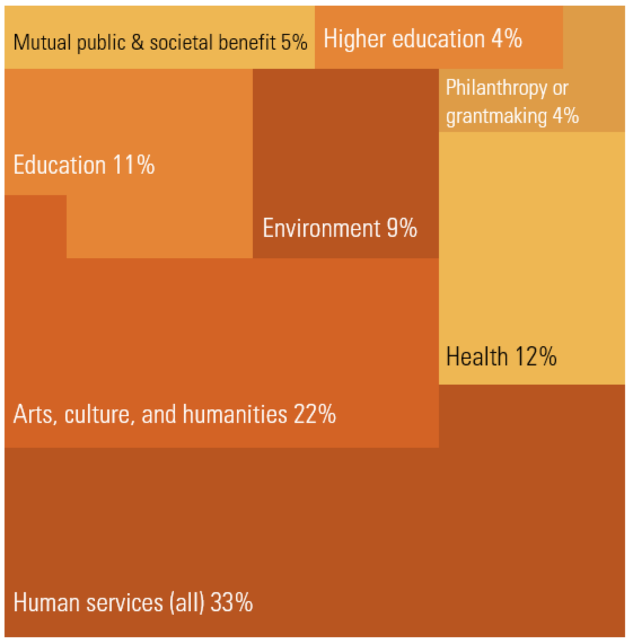
CALM (Photo: CALM)

Leader Survey Participating Organizations

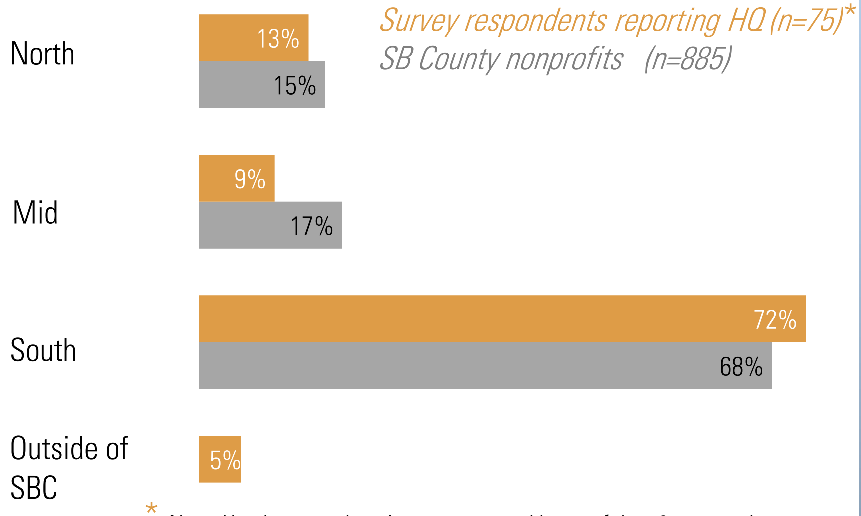
105 Santa Barbara County nonprofit leaders provided information on their organizations' workforce, demand for services, financial outlook, organizational capacity, and sector trends.

An online survey was conducted to gather data from the nonprofit sector in Santa Barbara County using a convenience sample of organizations. Compared directly to countywide nonprofit data based on IRS data, the sample is not fully representative. It overrepresents human services organizations and underrepresents religious organizations, and it underrepresents smaller organizations (with budgets under $250,000) while overrepresenting larger organizations (with budgets over $10 million). Despite these differences, the sample generally reflects the geographic distribution of nonprofit headquarters across the county, although organizations in the mid-county region are underrepresented.

Participating organizations by sector *(n=105)*

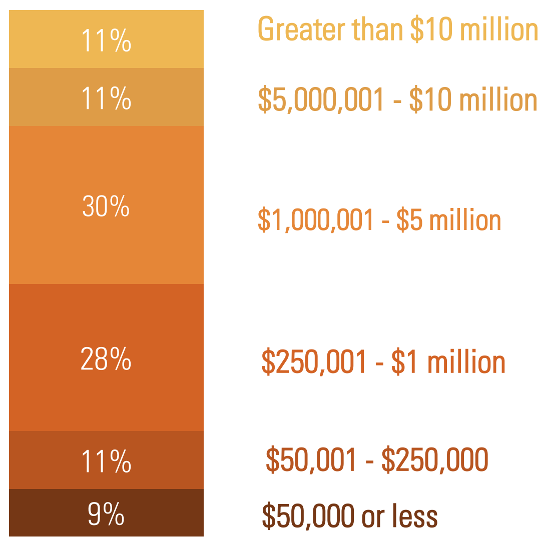


Participating organization's headquarters



* Note: Headquarters location was reported by 75 of the 105 respondents.

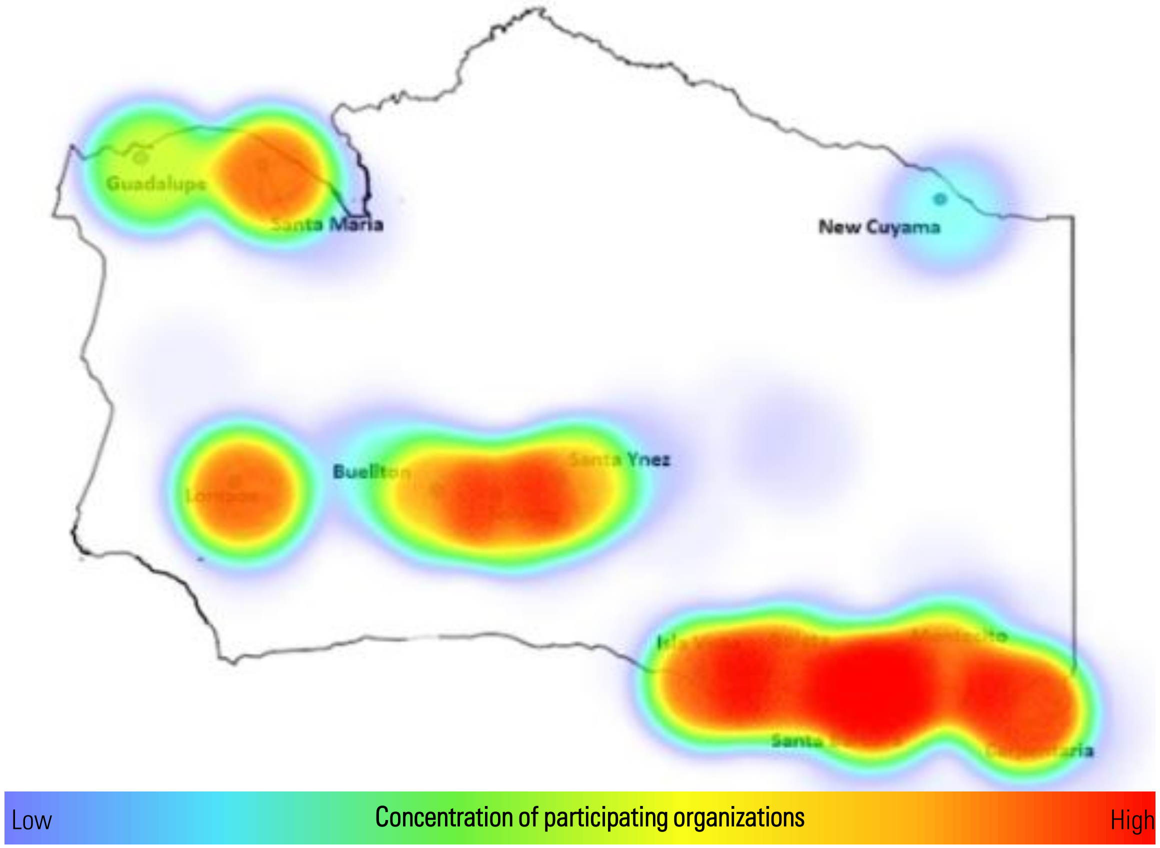
Participating organizations by budget size



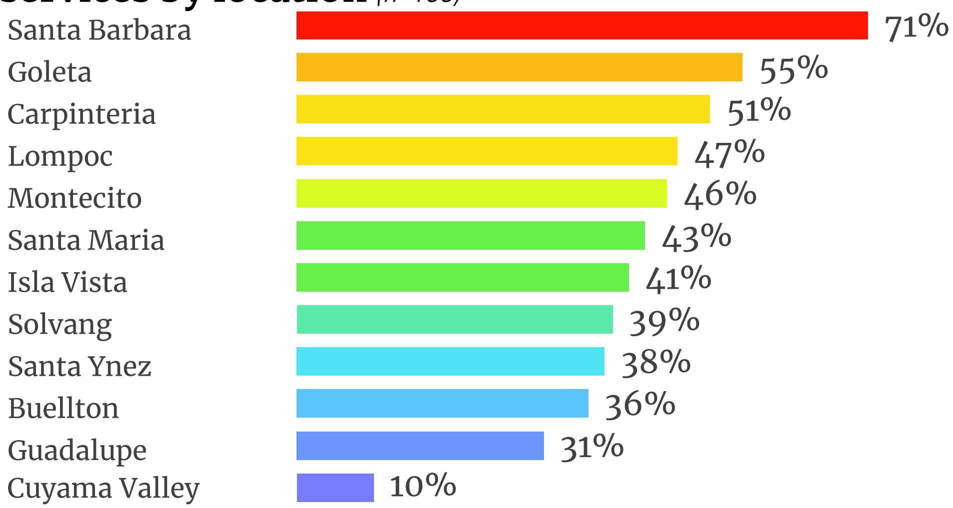
Surveyed sample *(n=105)*

To gain insights into the distribution of nonprofit services across Santa Barbara County, surveyed leaders were asked about the physical locations where their organizations offer services.

The resulting heat map provides a visual representation of the regions served by the participating nonprofit organizations, with the **color red** indicating the highest percentage of organizations providing services in a particular location.



Percent of surveyed organizations that provide services by location *(n=105)*



As shown in the heat map and histogram, **Santa Barbara** (71%) and **Goleta** (55%) are the physical locations where the organizations in our sample provide services most frequently, while **Cuyama Valley** (10%) is the least serviced location in our sample.

Blue Sky Center (Photo: Bridgette Bugay)

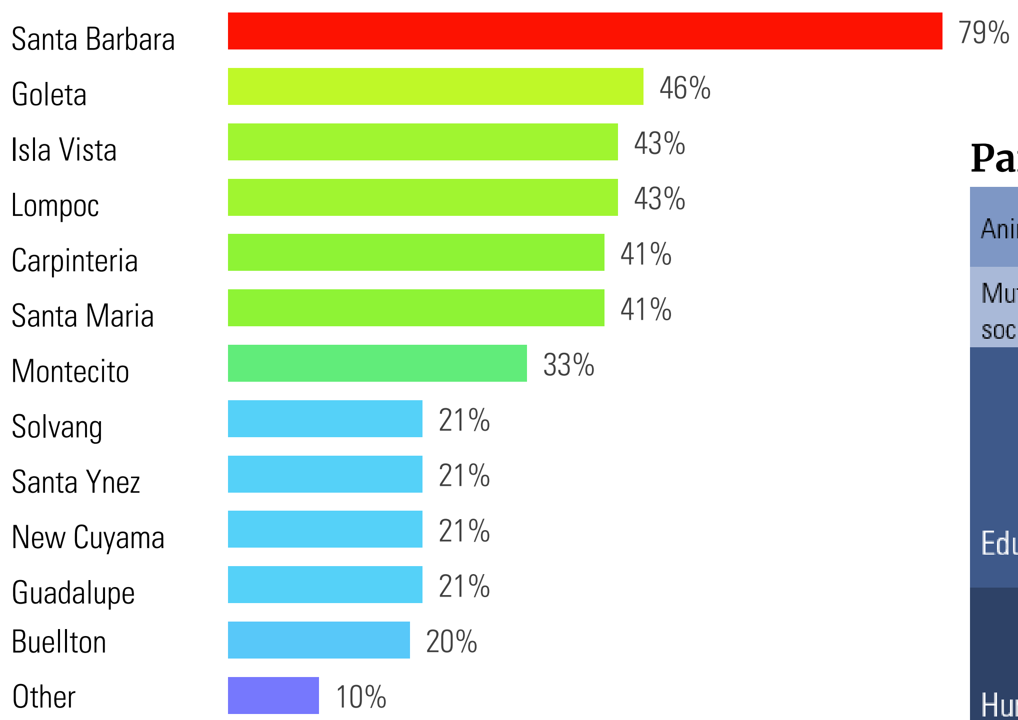
Participating Workforce Members

The State of Nonprofits Workforce Survey Participating Organizations

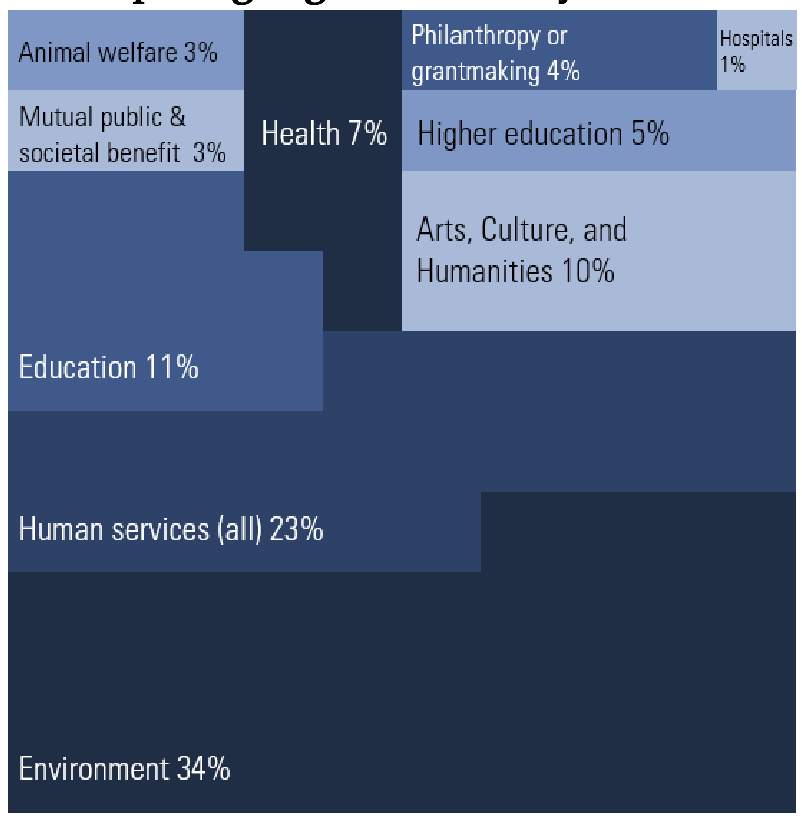
92 Santa Barbara County nonprofit workforce members provided information on their perspectives on various aspects of their lives working in nonprofits throughout Santa Barabara County.

An online survey was conducted to gather data from the nonprofit sector in Santa Barbara County. The survey used a convenience sample of nonprofit workforce members in the county. As shown in the graph below, **Santa Barbara** (79%) and **Goleta** (46%) are the physical locations where the workforce participants' organizations in our sample provide services most frequently, while **Buellton** (20%) is the least serviced location.

Percent of surveyed workforce members and locations their organizations provide services *(n=70)*



Participating organizations by sector *(n=74)*



Foodbank of Santa Barbara County (Photo: Veronica Slavin)

Santa Barbara Nonprofit Sector Profile

The nonprofit sector is a cornerstone of the Santa Barbara County community, delivering essential services and support to local residents. This diverse landscape includes organizations dedicated to various causes, including health, education, social services, the environment, and the arts—ranging from small-scale grassroots initiatives to large, established institutions. This section offers an overview of registered nonprofits by subsector, compares Santa Barbara County's nonprofit landscape to peer counties, and analyzes the sector's overall growth.

Based on data from the IRS in 2025, the nonprofit sector in Santa Barbara County is comprised of 2,137 registered nonprofits and 286 private foundations, along with 292 501(c) tax-exempt organizations in the county that do not fall under the classification of nonprofit or private foundation.

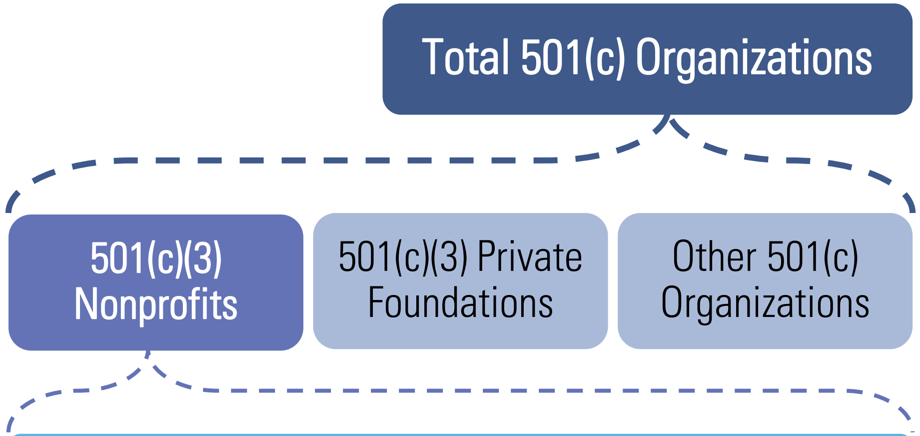


Table of Subsector Breakdown

Santa Barbara County domestic 501(c) tax-exempt organizations, June 2025

Tax-exempt Organizations	Count	% Change from 2024 to 2025
501(c)(3) Organizations	2,423	
501(c)(3) Nonprofits	2,137	1.86%
501(c)(3) Private Foundations	286	-1.04%
Other 501(c) Organizations	292	-4.58%
Total 501(c) Organizations	**2,715**	

Santa Barbara County registered 501(c)(3) nonprofits by subsector, June 2025[1]

Subsector	Count	%
Human services	538	25.2%
Religion	412	19.3%
Education	300	14.0%
Arts, culture, and humanities	283	13.2%
Public and societal benefit	258	12.1%
Health (other than hospitals)	148	6.9%
Environment	140	6.6%
International	39	1.8%
Higher education	8	0.4%
Hospitals	6	0.3%
Mutual benefit	5	0.2%
Santa Barbara County	2,137	

This report focuses on 501(c)(3)nonprofits operating in Santa Barbara County. Of the 2,137 501 (c)(3)nonprofits in Santa Barbara County, the majority fall under the categories of human services (25%) and religion (19%). Other significant categories include education (14%), public and societal benefit (12%), and arts, culture, and humanities (13%). The remaining categories each account for less than 7% of the total number of nonprofits.

Although 2,137 nonprofits are registered in Santa Barbara County, a smaller subset is actively operating, as indicated by IRS filings, with 885 organizations submitting Form 990/990-EZ returns and 665 reporting paid employees.

Santa Barbara County registered 501(c)(3) ACTIVE nonprofits, June 2025

Registered active nonprofits	885
Nonprofits with employees	665

[1] Note. Throughout the rest of the report, Mutual Benefit and Unknown subsectors are excluded from tables in which there is a subsector breakdown.

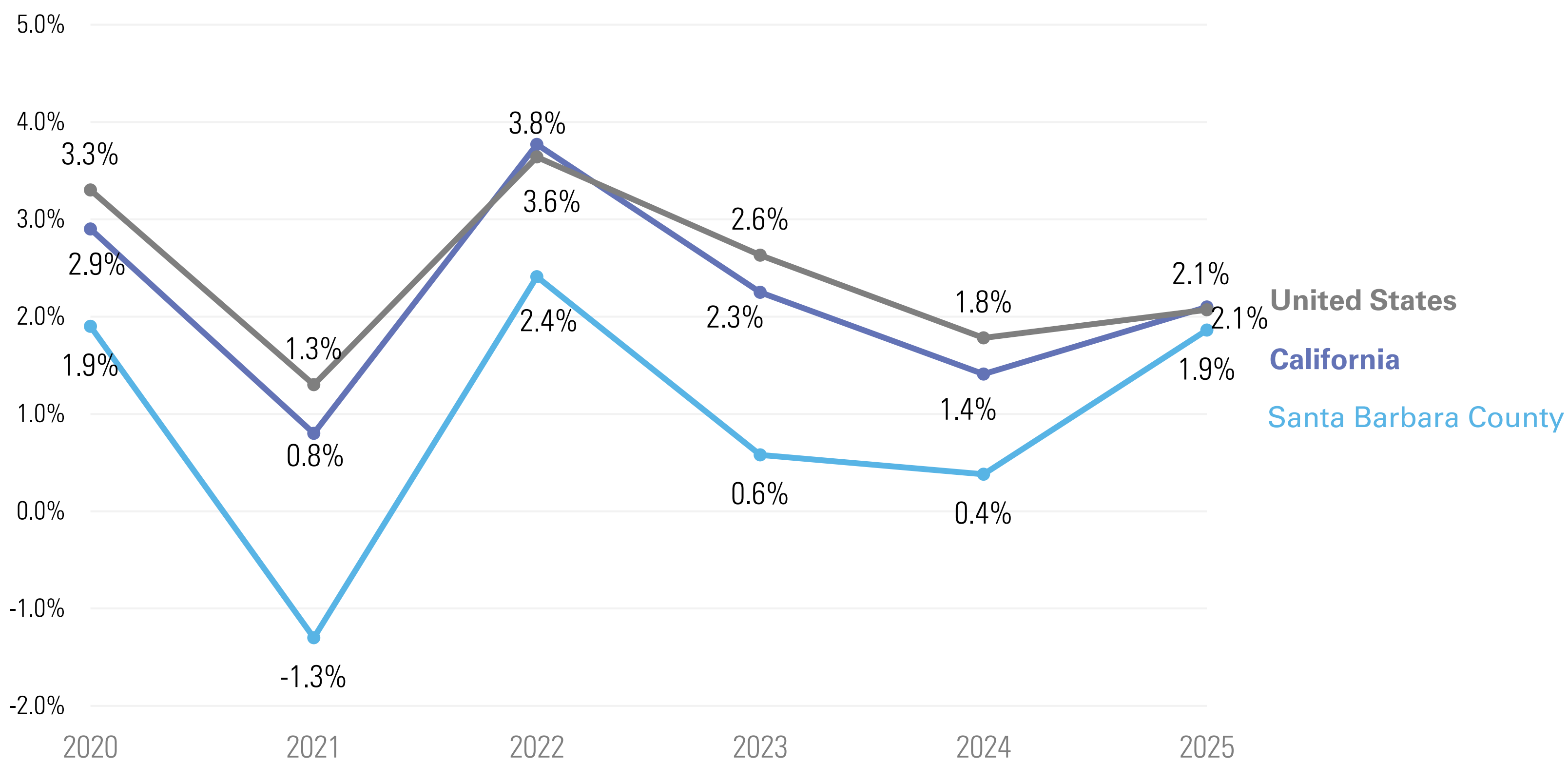
When compared to select California counties for the period of 2024 to 2025, Santa Barbara County's growth rate is higher than two comparable counties (although lower than Monterey County) and slightly lower than that of California and the United States. Overall, the sector has seen an overall increase of 4% from 2020 to 2025.

Registered 501(c)(3) nonprofits in select counties, June 2025

Region	2020	2021	2022	2023	2024	2025	% Change 2024 → 2025
Sonoma County	2,197	2,231	2,266	2,266	2,285	2,306	0.92%
Marin County	1,854	1,853	1,874	1,867	1,834	1,862	1.53%
Santa Barbara County	2,056	2,029	2,078	2,090	2,098	2,137	1.86%
Monterey County	1,376	1,378	1,424	1,439	1,457	1,489	2.20%
California	141,042	142,105	147,460	150,784	152,907	156,122	2.10%
United States	1,281,986	1,298,214	1,345,450	1,380,895	1,405,515	1,434,675	2.07%

In terms of number of organizations, Santa Barbara County saw a slight increase of 1.86% in the number of registered 501(c)(3) nonprofits from 2024 to 2025. Overall, the data suggests that the number of tax-exempt organizations, specifically 501(c)(3) nonprofits, is growing in Santa Barbara County, albeit at a slightly slower rate compared to previous years and some areas in California and the United States.

Growth (% change) in the number of nonprofits



The State of Nonprofits in SB County

Exploring variations in nonprofit levels by subsector, from 2024 to 2025, many subsectors saw an increase in the number of registered nonprofits, with higher education, environment, and hospitals being the only exceptions, as these subsectors saw no changes. Overall, these data show that the nonprofit sector in Santa Barbara County is diverse and dynamic, with different subsectors experiencing varying rates of growth.

Registered 501(c)(3) nonprofits in Santa Barbara County by subsector, June 2025

Subsector	2020	2021	2022	2023	2024	2025	% Change	
							2023 → 2024	2024 → 2025
Arts, culture, and humanities	268	260	266	270	278	283	2.96%	1.80%
Higher education	9	9	7	9	8	8	-11.11%	0.00%
Education	296	288	287	287	289	300	0.70%	3.81%
Environment	127	130	137	140	140	140	0.00%	0.00%
Hospitals	5	5	6	6	6	6	0.00%	0.00%
Health	139	135	138	140	143	148	2.14%	3.50%
Human services	521	519	533	538	534	538	-0.74%	0.75%
International	39	34	35	35	38	39	8.57%	2.63%
Public and societal benefit	251	242	251	253	246	258	-2.77%	4.88%
Religion	389	396	406	408	411	412	0.74%	0.24%
Santa Barbara County	**2,056**	**2,029**	**2,078**	**2,090**	**2,098**	**2,137**	**0.38%**	**1.86%**

Nonprofit Sector Employment

The nonprofit sector remains a major employer within Santa Barbara County, representing a significant and growing portion of the local workforce. This section explores the diverse roles that sustain the sector—from administrative leadership to frontline service providers. New to this year's analysis is a dedicated survey of both leaders and staff members. This data offers a deeper look into the workplace experience, specifically addressing professional advancement, projected tenure, and the factors that motivate employees to stay or depart. We also examine the prevalence of burnout, current work arrangements, and the alignment between organizational benefits and the day-to-day challenges faced by the workforce.

CommUnify (Photo: Veronica Slavin)

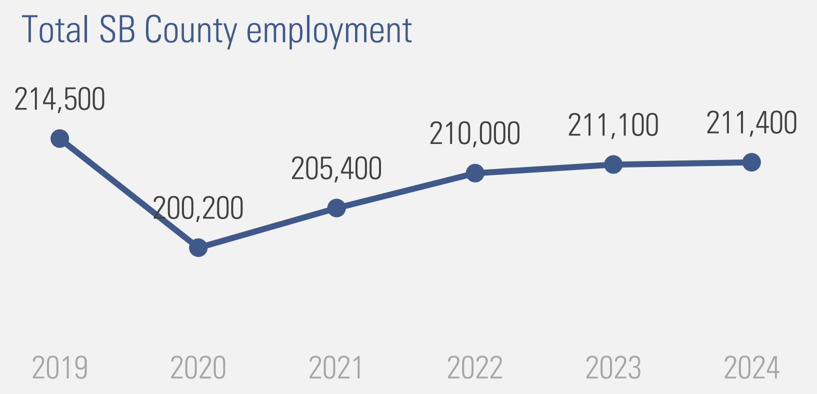
Nonprofits accounted for 8.5% of total employment in Santa Barbara County in 2024, with 17,970 people employed in the nonprofit sector.

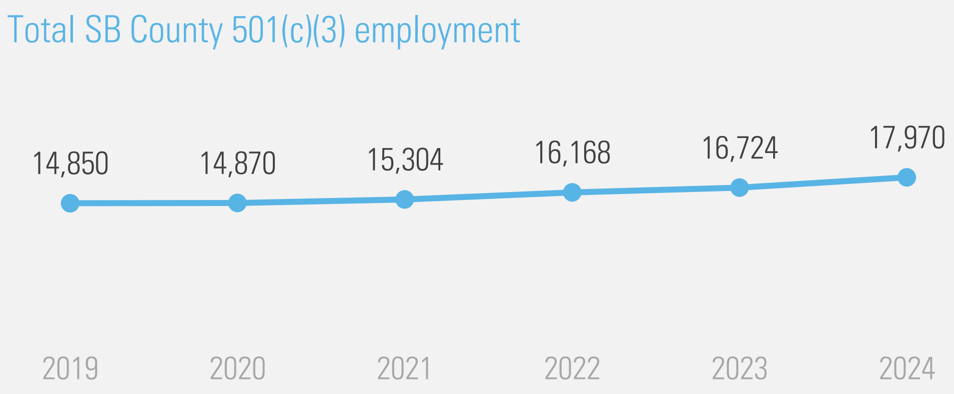
The nonprofit sector in Santa Barbara County also saw growth in the number of nonprofits with paid employees, with an average of 665 organizations, a 2.6% increase from the previous year. Additionally, there was an increase in the total employment by 7.5%, employing more people than the previous year, and a 11.9% increase in total annual wages. In total, from 2019 to 2024, the county has seen a 14.7% increase in average number of nonprofits with employees, 21% increase in the average total employment, and an increase of 52% in total annual wages.

Nonprofit employment in Santa Barbara County, 2024 CA Employment Development Department (EDD)

	2019	2020	2021	2022	2023	2024	% Change 2019 → 2024
Average Number of Nonprofits with Employees	580	600	616	627	648	665	14.7%
Average Total Employment	14,850	14,870	15,304	16,168	16,724	17,970	21%
Total Annual Wages	$795,743,333	$883,387,489	$904,160,393	$1,020,848,546	$1,081,241,759	$1,209,903,056	52%

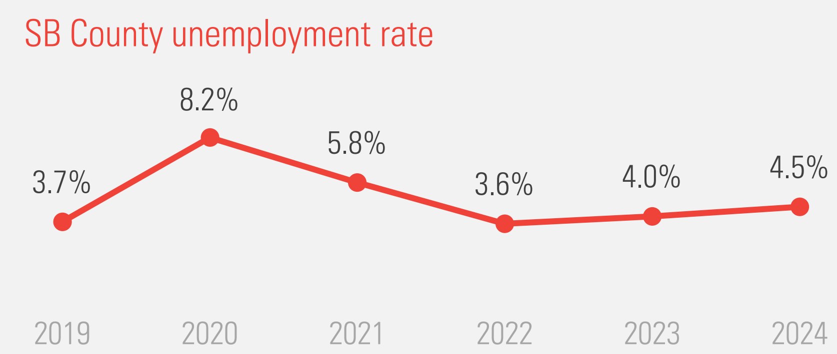
Overall employment in Santa Barbara County saw dramatic variability from 2019 to 2020, with an intense decrease from 214,500 in 2019 to 200,200 in 2020. Since 2020, there has been a gradual increase in county employees to 211,100 in 2024. In contrast, nonprofit employment in the county did not experience a decline during the COVID-19 period, increasing steadily from 14,850 in 2019 to 17,970 in 2024.

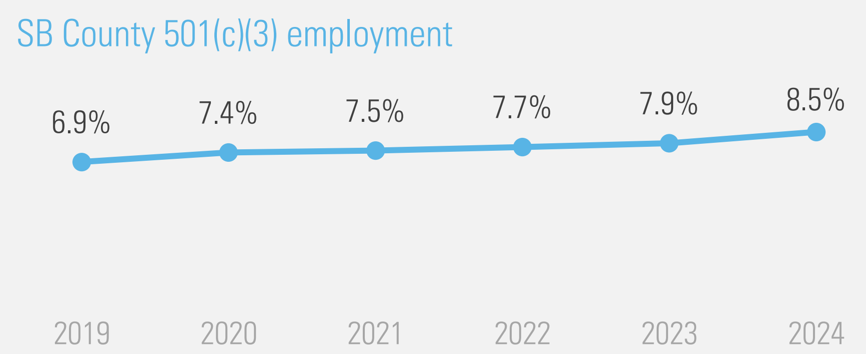




While **total employment decreased slightly** by 1.45% from 2019 to 2024, total 501(c)(3) employment increased 21%.

The county's unemployment rate has varied, with an increase in unemployment rates from 3.7% in 2019 to 8.2% in 2020, followed by a decrease to 3.6% in 2022. However, this decrease has shifted to a slight increase in unemployment rates from 2022 to 2024 (rising from **3.6% to 4.5%**). As presented in the chart above, the percentage of employment in Santa Barbara County accounted for by nonprofits has seen an incremental steady increase from **6.9%** in 2019 to **8.5%** in 2024.



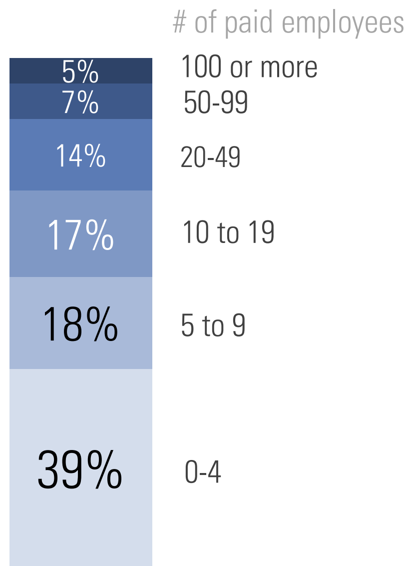


Total unemployment rates have fluctuated seeing an increase between 2019 to 2020, a decrease from 2020 to 2022, followed by a slight steady increase between 2022 to 2024, while SBC 501(c)(3) employment increased steadily during this same period.

Looking at nonprofit employment by organization size shows that most nonprofits (57%) had fewer than 10 paid employees in the current findings, a decrease from 63% in the 2022/2023 report, while the share of mid-sized organizations (10–99 employees) increased from 33% to 38% and larger organizations (100+ employees) rose slightly from 4% to 5%.

Looking at employment by subsector, human services remained the largest across all measures, while health (excluding hospitals) continued to account for a substantial share of nonprofits and employment; overall, subsector distributions remained relatively stable from the 2022/2023 report to the current findings, with the most notable changes being growth in total wages and the number of nonprofits.

Nonprofit employment by organization size, 2024 CA EDD *(n=665)*



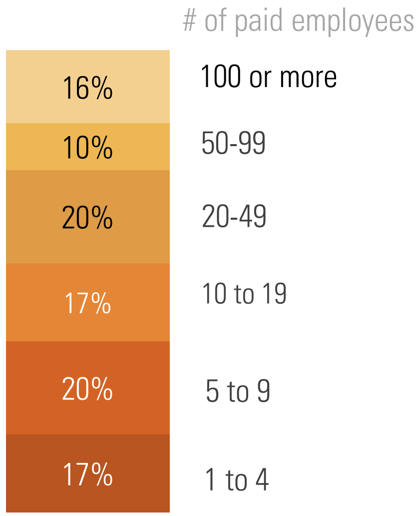
Nonprofit employment in Santa Barbara County, 2024 CA EDD

Subsector	Average # of nonprofits	% of nonprofits	Total annual wages	Average Total employment	% of total employment
Human services	269	40%	$309,438,056	6,643	37%
Health	114	17%	$241,620,005	3,130	17%
Education	56	8%	$92,567,058	1,424	8%
Arts, culture, and humanities	58	9%	$38,096,086	844	5%
Private foundations	50	8%	$15,451,977	187	1%
Environment	35	5%	$29,878,172	601	3%
Public and societal benefit	41	6%	$24,160,060	394	2%
Religion	20	3%	$6,323,650	171	1%
Social welfare	11	2%	$1,685,626	41	0%
Hospitals	5	1%	$400,542,650	3,870	22%
Santa Barbara County	**665**		**$1,209,903,056**	**17,970**	

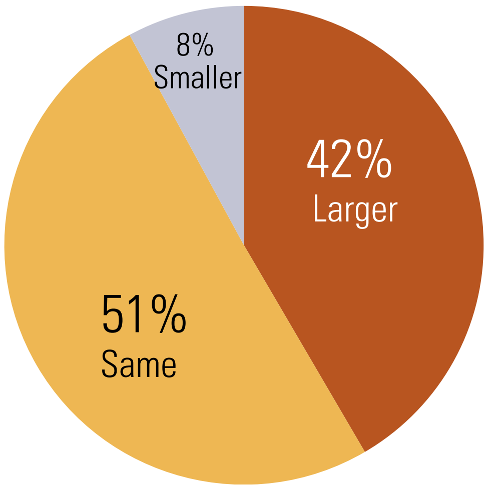
Responses from the current sample of nonprofit leaders provided additional insights and predictions for nonprofit sector employment in Santa Barbara County.

The survey results indicate that 85% (*n*=88) of nonprofit leaders had paid employees (excluding independent contractors). Unlike the data reported by the California (CA) Employment Development Department (EDD), the organizations in our current sample were diverse in terms of the number of paid employees as (17%) had less than 10 paid employees and (16%) had 100 employees or more.

Number of paid employees at participating nonprofits *(n=89)*



Prediction of staff size in the next 12 months *(n=89)*

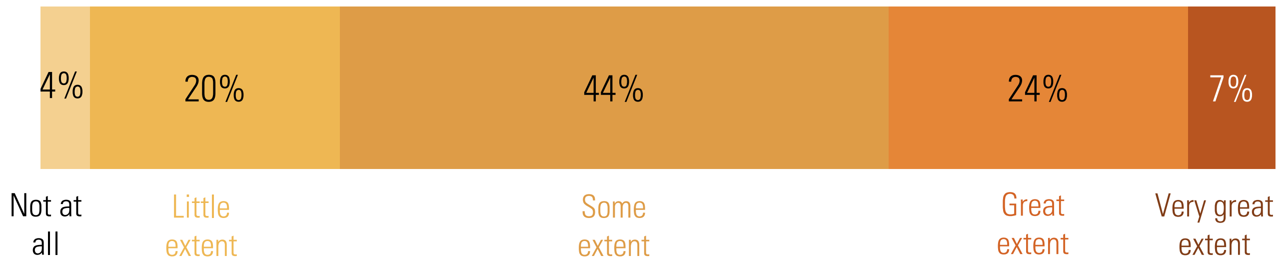


The survey findings also revealed that Santa Barbara County nonprofit leaders are anticipating some growth in the sector, with 42% (*n*=37) of respondents predicting an increase in staff size within the next 12 months. This reflects a shift from 2022/2023 report, when 58% of leaders anticipated growth, 40% expected staffing levels to remain the same, and only 2% anticipated a decrease

Of the Santa Barbara County nonprofit leaders surveyed, 85% (*n*=74) reported hiring new staff in the last 12 months, while 76% (*n*=67) reported staff turnover and 51% (*n*=45) currently have job vacancies. Compared to the 2022/2023 report, when hiring (81%) and staff turnover (73%) were lower, while the share of organizations reporting vacancies was higher (56%).

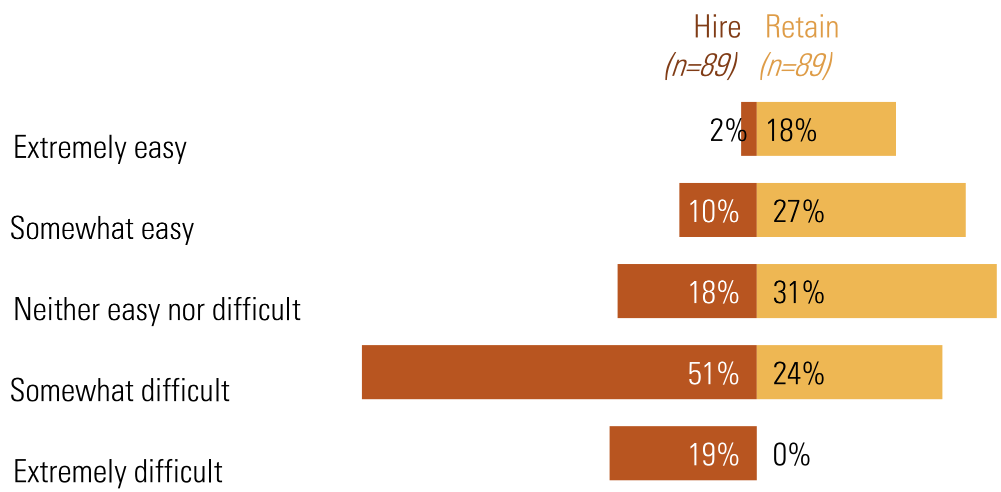
Of the leaders who reported having a job vacancy, 96% reported that it negatively affected their ability to deliver services to varying degrees. This is a slight departure from the 2022/2023 report, where 100% of leaders reported that it negatively affected their service delivery. While the overall impact remains high, the intensity has observed a decrease; currently, 31% of organizations report that vacancies affect service quality to a “great” or “very great” extent, compared to 45% in the previous report. Survey findings suggest that the current job vacancies are more closely linked to hiring challenges than to retention issues, a trend that remains consistent across both study periods.

Extent to which vacancies are negatively impacting quality of services *(n=45)*



70% (*n*=62) of leaders reported difficulty hiring qualified employees, while 24% (*n*=21) identified challenges with staff retention. This represents a decrease from the previous report (in 2022/2023), where 77% (*n*=88) of leaders noted hiring difficulties and 40% (*n*=57) cited retention issues. Across both study periods, the data consistently suggests that hiring qualified employees presents more persistent challenges for the sector than retaining current staff.

Difficulty in hiring & retaining employees



When asked, "What, if any, has the impact of workforce vacancies been on your organization?" workforce members shared a clear picture of increased workload, stress, and burnout. Many described being stretched thin by additional duties, which often impacted work-life balance and lowered morale. Beyond these personal tolls, responses highlighted how recruitment and retention hurdles—often tied to uncompetitive wages—have limited organizational capacity to deliver services or launch new projects. In some cases, long-term vacancies in key leadership roles have also created a sense of instability. Notably, a portion of respondents reported little to no impact or found the question inapplicable to their current situation.

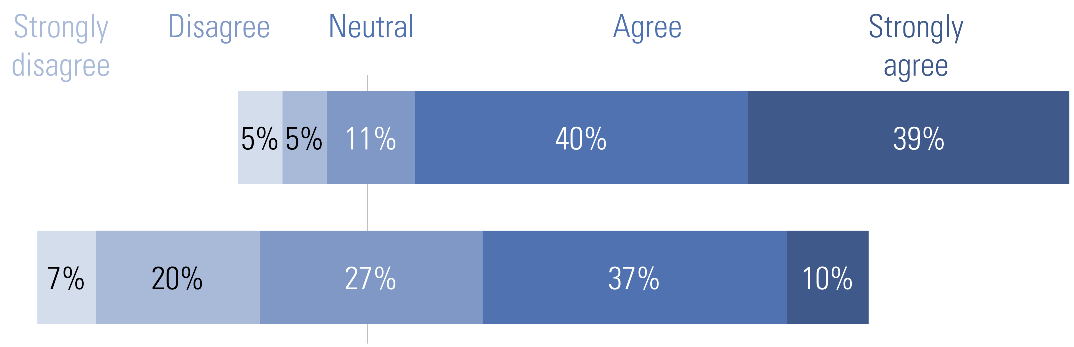
Impact of workforce vacancies (workforce) *(n=62)*

Increased Workload, Stress, & Burnout	Vacancies force remaining staff to take on extra duties, leading to overwork, burnout, and negative impacts on personal well-being.	*"Vacancies, especially prolonged ones, mean that someone else has to pick up the slack. This often means that whoever does that is adding more work to their load than is sustainable."*
No/Low Impact, Not Applicable, or Mitigation	Some respondents reported no direct impact, felt the question was not applicable, or used strategies like contractors to manage the gap.	*"In my department it has not been an issue."*
Difficulty in Recruitment & Retention	Organizations struggle to keep or attract staff due to uncompetitive wages, high turnover, and the need for specialized skills.	*"Staff retention and turnover has been extremely tough on us. Many staff have left for higher pay rates at County or for-profit entities that pay higher."*
Reduced Organizational Capacity & Service Delivery	Staffing shortages limit the scope of work, resulting in postponed projects, extended deadlines, and difficulty providing essential services.	*"We are often unable to fill necessary roles in the event of unexpected absence."*
Leadership & Organizational Instability	Vacancies in director or leadership roles create uncertainty and unease regarding the organization's future direction.	*"We have a leadership vacancy which leaves staff and volunteers feeling a bit uneasy not knowing who will replace our beloved leader who has left and if other organizations changes will be coming."*

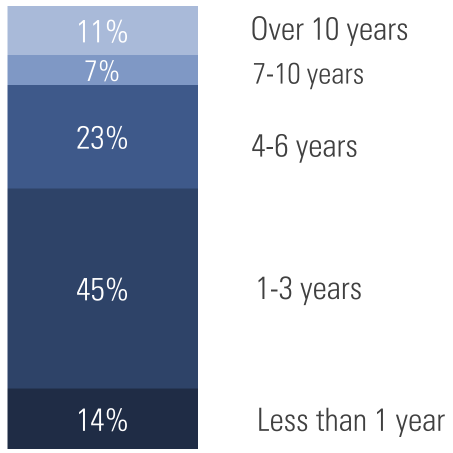
Size reflects frequency of responses

Workforce members reported that they felt highly supported in their current roles, with 79% of respondents agreeing or strongly agreeing that they have the backing of the organization.

Support and advancement *(n=75, 71)*



How much longer do you plan to stay in your current role? *(n=73)*



When asked about how much longer they plan to stay in their roles, the majority indicated a short- to mid-term outlook. Specifically, 59% of the workforce plans to remain in their current position for three years or less, with the largest single group (45%) eyeing a 1 to 3-year window. In contrast, only 11% of members currently envision staying in their role for over a decade.

When asked what would motivate them to leave their current positions, workforce members identified compensation and financial need as the dominant factors, cited by nearly half of all respondents. This included specific pressures such as low pay, a lack of benefits, and wages that failed to keep pace with the high cost of living. Beyond financial concerns, the data highlighted organizational and management issues: including poor leadership, toxic culture, and unstable priorities—alongside a desire for career growth and advancement. While smaller groups pointed to current job dissatisfaction, retirement, or external opportunities, the findings showed that potential departures were primarily driven by uncompetitive pay and concerns regarding the effectiveness of organizations' leadership and structure.

Motivations for leaving current position (workforce) *(n=70)*

Low pay, lack of benefits, high cost of living

"If I stopped getting raises or got them too slowly, or if my rent rises faster than my pay does. I am passionate about my work but cannot sacrifice my finances for this job."

Need to advance or new opportunities

"If there was an opportunity to advance my role or earn a better salary."

Poor morale, burnout, high stress

"I no longer feel valued or appreciated at my organization so I am considering looking for work elsewhere."

Age/health or personal life changes

"Deterioration of work culture, changes in family needs/demands..."

Time for a change, better option elsewhere

"It would take an incredible opportunity – large increase in pay for well respected and known organization."

Poor or changing leadership, toxic culture, unstable funding/priorities

"The lack of teamwork, collaboration across departments, lack of respect, and dictatorship from top down."

Satisfaction and commitment to the current role/mission

"This is one of the best work environments and rewarding positions I have held over my lifetime."

Size reflects frequency of responses

When asked about other employment issues they are facing, leaders provided feedback that centered on three primary themes:

Housing & Cost of Living Crisis

The overwhelming impact of Santa Barbara's housing market and general living expenses on staff stability.

"Affordable housing impacts ability to recruit and retain staff."

Funding & Financial Sustainability

Issues with restrictive grants, donor competition, and the administrative burden of reporting.

"Many of the nonprofit are going after the same funding...."

Compensation & Benefits Inadequacy

Concerns regarding the inability to provide competitive salaries, health insurance, or merit-based increases.

"We would love to have more information about how to begin to offer health benefits..."

When asked about the biggest challenges they face in their current role, workforce members responded that workload, capacity, and burnout are the primary pain points. These challenges are often linked to resource scarcity, such as funding and grant dependency, as well as issues regarding management, leadership, and governance. Additional data shows concerns regarding organizational culture and communication, alongside a need for better professional development and alignment between roles and skills.

Biggest challenges in current role (workforce) *(n=65)*

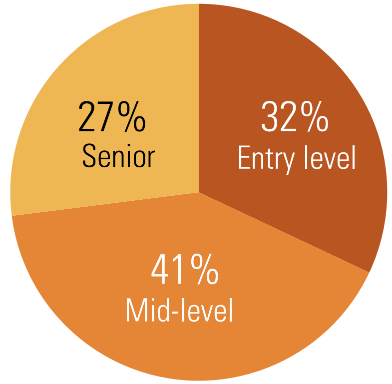
Workload, Capacity & Burnout	High volume of tasks, lack of time for strategy, and the physical/emotional toll of "doing the work of two people."	*"Burnout due to doing probably 75% of the work in an all-volunteer organization..."*
Funding, Resources & Scarcity	Structural financial challenges, including grant dependency, the "constant grind" of fundraising, and budget uncertainty.	*"I think the constant grind of fundraising is always a challenge..."*
Management, Leadership & Governance	Issues with supervisor experience, lack of clear guidance from the Board, and feeling unsupported in decision-making.	*"Lack of board governance and support."*
Culture, Change & Communication	Resistance to change (especially from long-tenured staff), internal silos, and poor interdepartmental communication.	*"Challenging to implement and direct change when people who have been around for a long time are stuck in their ways."*
Professional Development & Role Fit	Misalignment between skills and duties, lack of training for new tech/systems, and unclear paths for growth.	*"We are largely grant-funded, and that limits the time and development opportunities that I'd need to build additional skills that could further my career."*

Size reflects frequency of responses

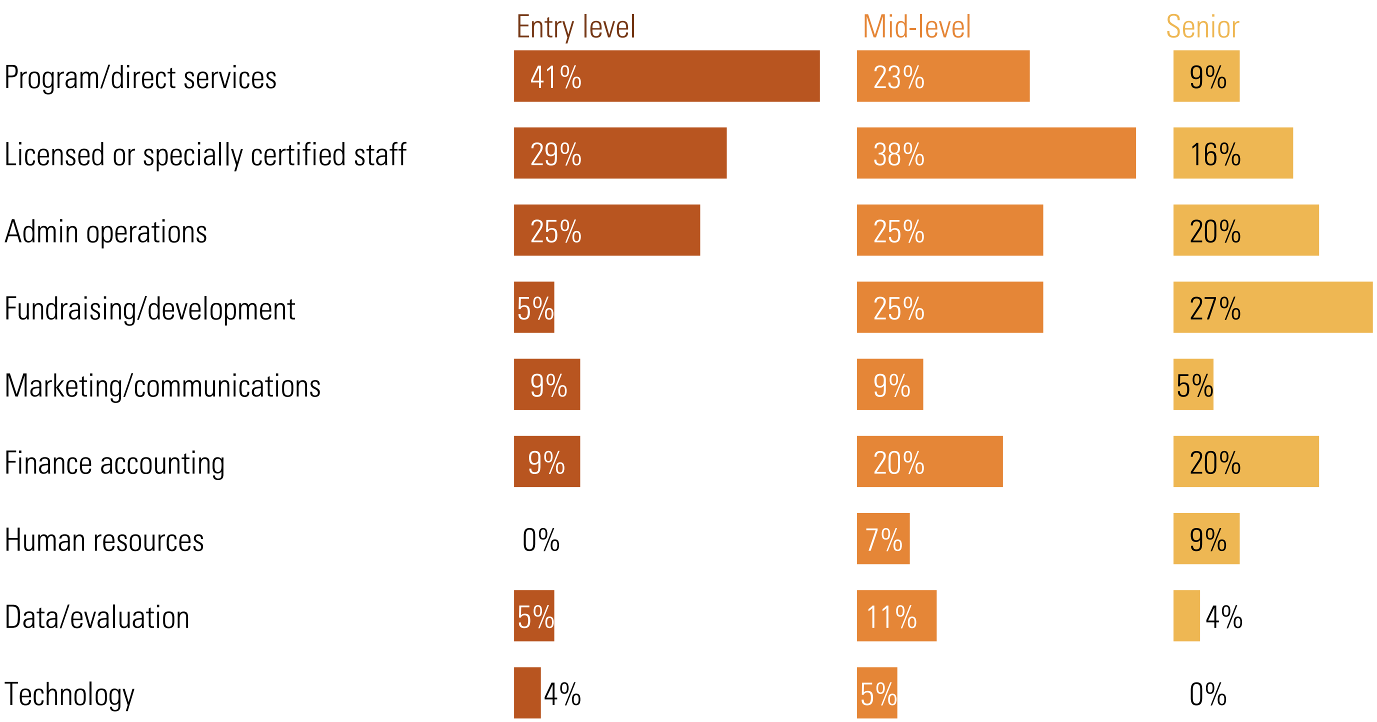
Hiring Challenges

Among the leaders who reported significant hiring hurdles, the greatest difficulties were concentrated at the entry- and mid-level tiers. At the entry level, recruitment was most challenging for program and direct services roles. As positions moved into the mid-level, the difficulty shifted toward roles requiring licensing or special certifications. While senior-level hiring was slightly less frequent, leaders identified fundraising and development as the most difficult area to staff at that executive tier. These challenges largely mirror those from the 2022/2023 report, though the pressure shifted at the mid-level from direct services staff toward those requiring specialized certifications.

Difficulty in hiring by career level

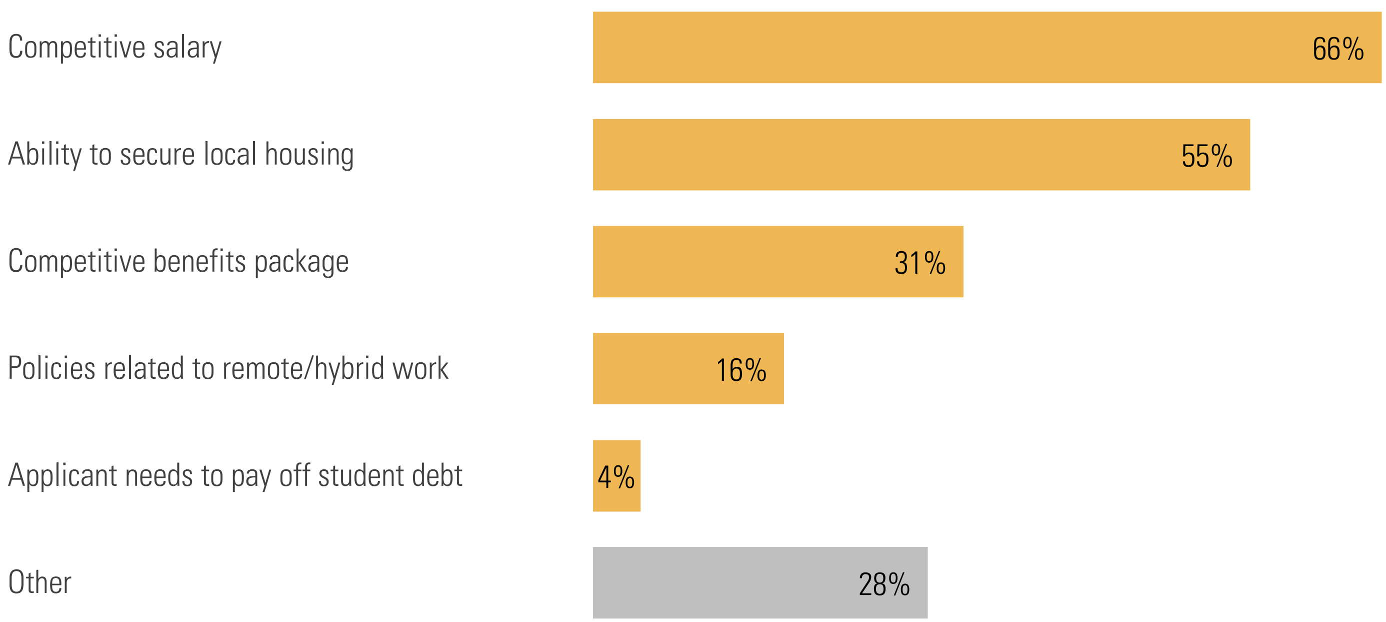


Difficulty in hiring by position and career level *(n=56)*



When asked to select all factors impacting their ability to recruit new staff, leaders frequently identified a consistent set of hurdles. Providing competitive salaries, the difficulty for potential employees to secure local housing, and the challenge of offering competitive benefits emerged as the most common obstacles. Additionally, recruitment efforts were affected by the need for specialized skill sets and the specific constraints of seasonal or part-time work. These findings closely align with the 2022/2023 report, as the relative ranking of these primary factors has remained unchanged year-over-year.

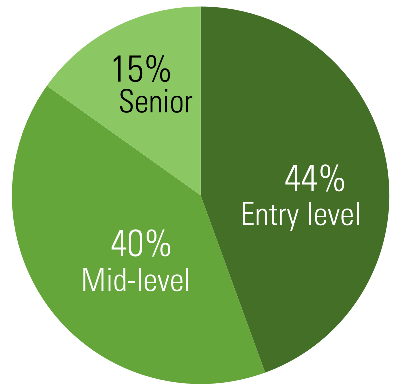
Factors affecting an organization's ability to recruit staff *(n=86)*



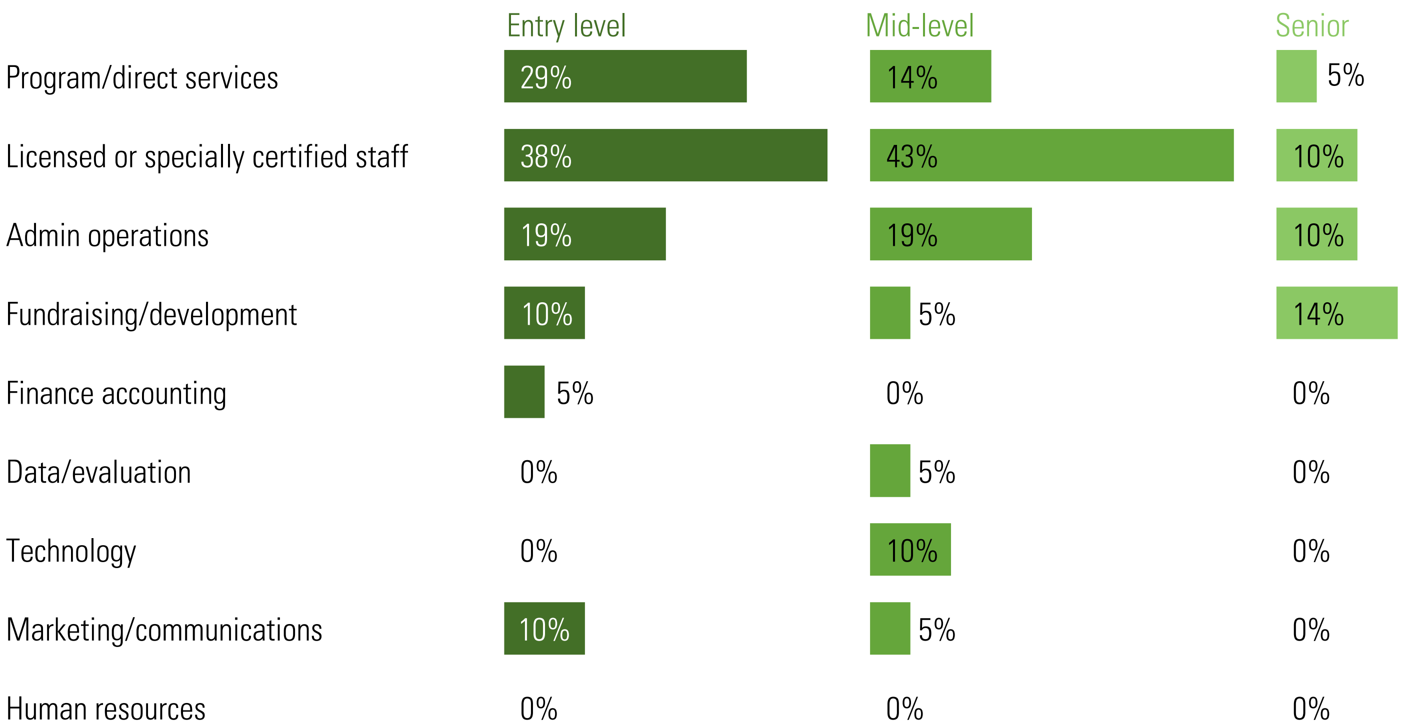
Retention Challenges

Similarly, nonprofit leaders who identified challenges in retaining qualified staff noted that the primary difficulties were concentrated at the entry- and mid-level tiers. Retention was most frequently highlighted in roles involving licensing or special certifications, direct program services, and administrative operations. These results are similar to the 2022/2023 report, with licensed staff and program/direct services positions remaining the top two areas of concern, though their relative order shifted slightly this year. At the senior level, fundraising positions continued to be the most common area where retention challenges occurred.

Difficulty in retention by career level

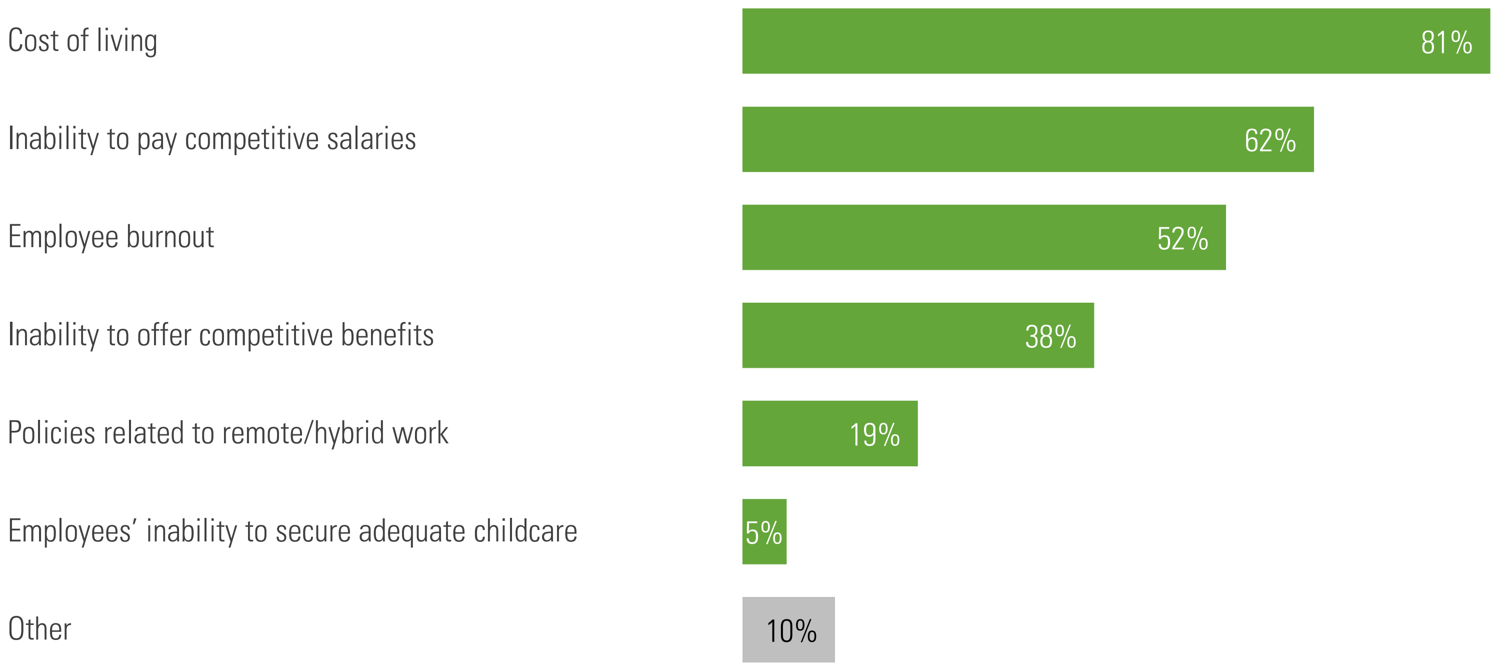


Difficulty in retention by position and career level *(n=53)*



Leaders who reported difficulties in staff retention were also asked about the factors impacting their organization's ability to retain employees. Most often, leaders cited challenges such as the high cost of living, the ability to offer competitive salaries, and preventing employee burnout as significant factors affecting retention. This year's results strongly resemble the 2022/2023 report, with one notable difference: in the previous report, 20% of leaders identified an employee's ability to secure adequate childcare as a significant issue, whereas only 5% of respondents reported it as a factor this year.

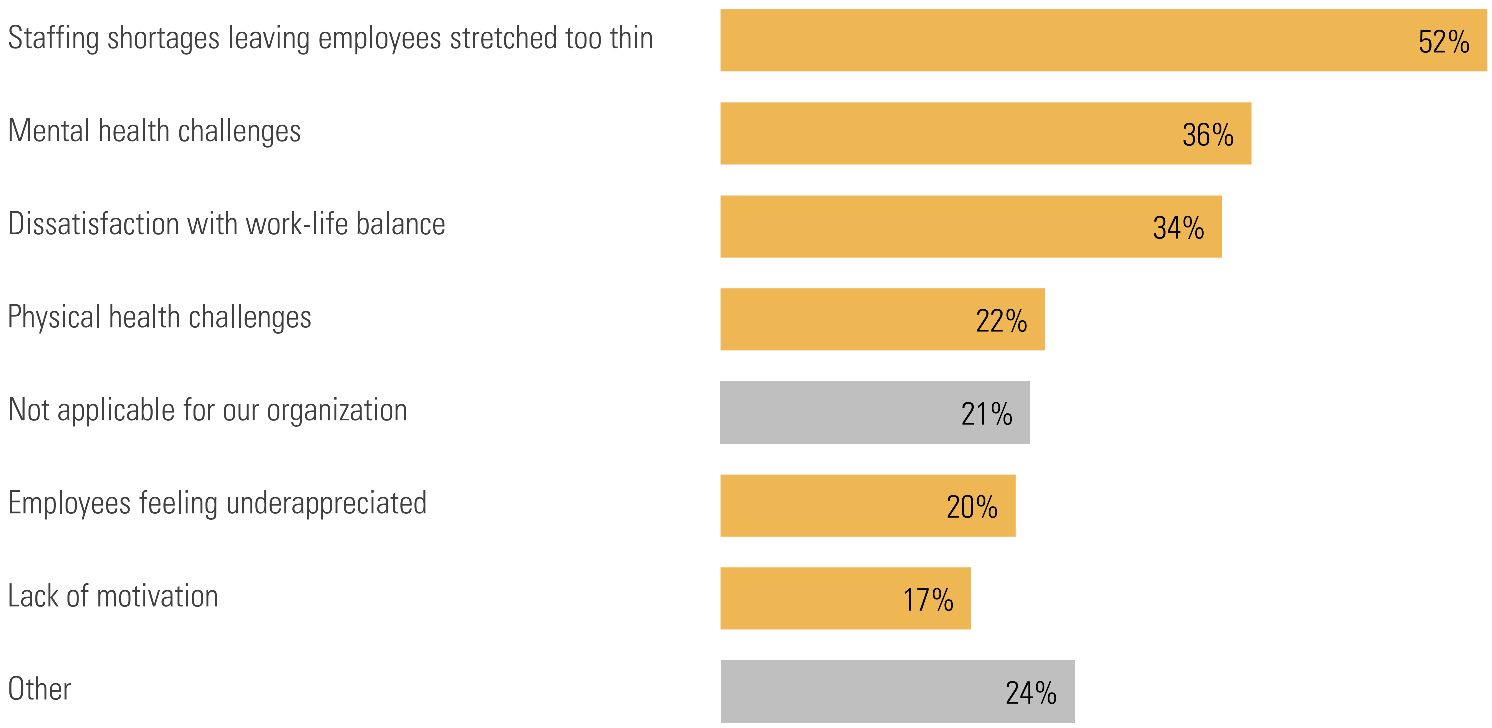
Factors affecting an organization's ability to retain staff *(n=21)*



"Interestingly, it's not a lack of resources that limits wages, but a reluctance to appear as though they're paying 'too much.' Decisions rely on national benchmarks that fail to reflect the TRUE ***cost of living*** *in Santa Barbara. Though they have the means to offer wages that align with local housing costs, they choose not to lead by example. Instead, by aiming to remain near the median, they reinforce low wages and perpetuate the affordability crisis-missing a critical opportunity to model what it means to truly support employees."* ***- Nonprofit Leader***

Burnout remains a prominent hurdle for leaders striving to retain qualified staff. When asked to select all the ways burnout manifests in their organizations, the majority of leaders pointed to staffing shortages that leave teams stretched too thin, alongside mental health challenges and dissatisfaction with work-life balance. While 21% of leaders felt employee burnout did not apply to their organization, those who provided "other" write-in responses often used the opportunity to highlight the underlying drivers of burnout. These findings closely mirror the trends captured in the 2022/2023 report.

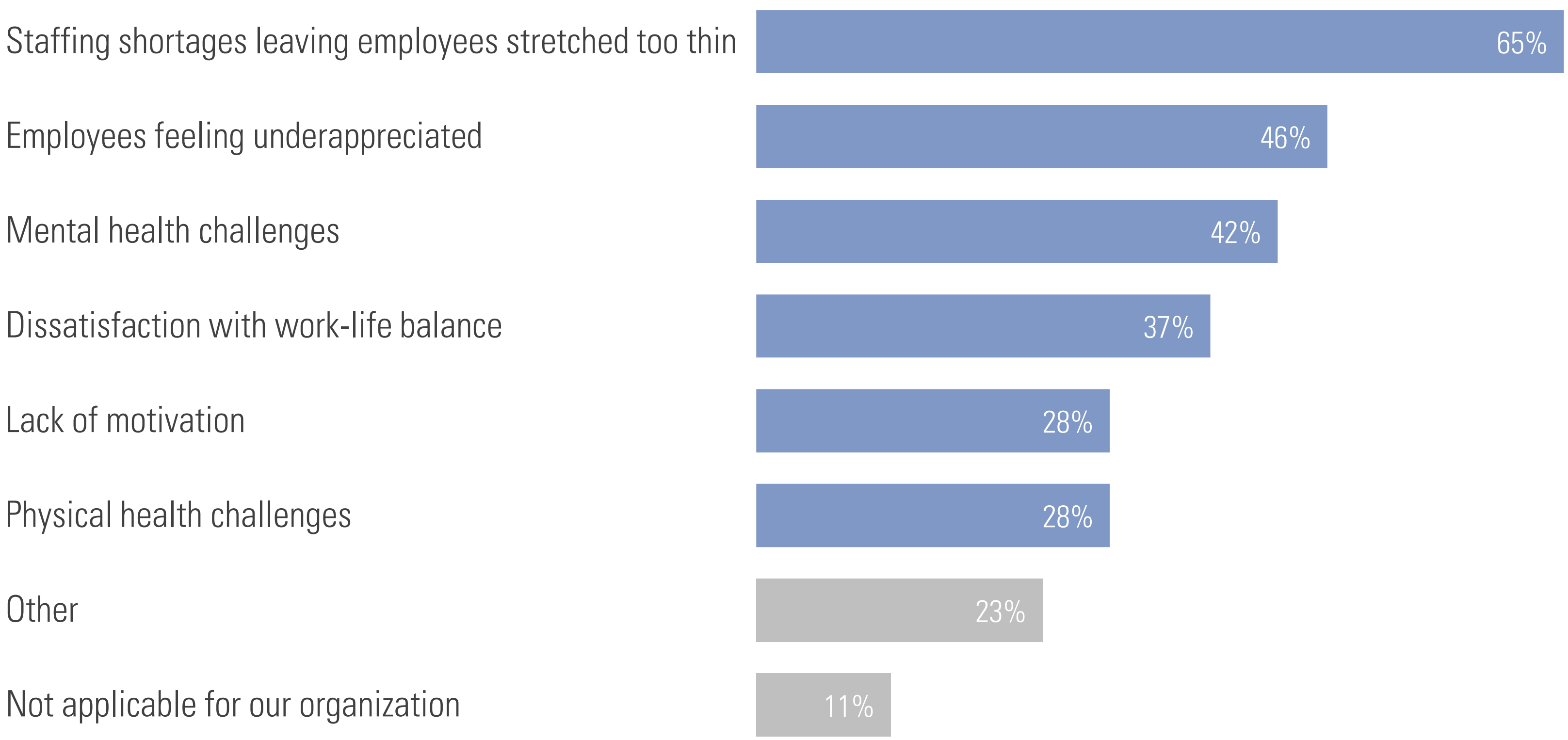
Manifestation of burnout in organizations *(n=86)*



When workforce members were asked how burnout manifests within their organizations, their responses differ in important ways from those of leaders. Most notably, 65% of staff pointed to staffing shortages that leave employees stretched too thin, compared to 52% of leaders, while 46% of workforce members cited feeling underappreciated, more than double the 20% of leaders who identified this as a concern. While 21% of leaders felt burnout did not apply to their organization, only 11% of workforce members said the same.

Many who provided "other" write-in responses used the opportunity to highlight the underlying drivers and pressures leading to exhaustion. It is important to note that these findings represent distinct groups from separate surveys and do not necessarily reflect a one-to-one comparison within the same organizations.

Manifestation of burnout in organizations *(n=74)*



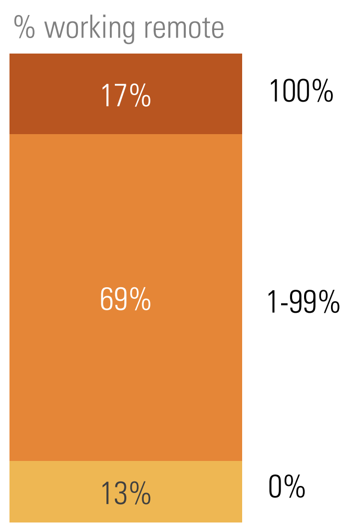
*"In the past, **burnout was a major threat** to our organization, but current leadership has stepped up to address staff health and wellness. Our turnover rate has significantly decreased and burnout does not appear to affect us as much. We have very generous PTO benefits and are strongly encouraged to use it." **– Nonprofit Workforce Member***

When looking at the actions taken to retain staff, current data shows that competitive pay remains the most utilized strategy, with 85% of leaders reporting wage increases compared to 83% in the previous period. Other retention efforts show different levels of activity between the two reports; reported actions for increased benefits shifted from 55% to 46%, while the percentage of leaders reporting a recent increase in remote work flexibility moved from 68% in the previous report to 40% in the current findings. Across both periods, wage increases continue to be the most frequent action leaders report taking to support employee retention.

Actions to retain employees *(n_s=67→88)*

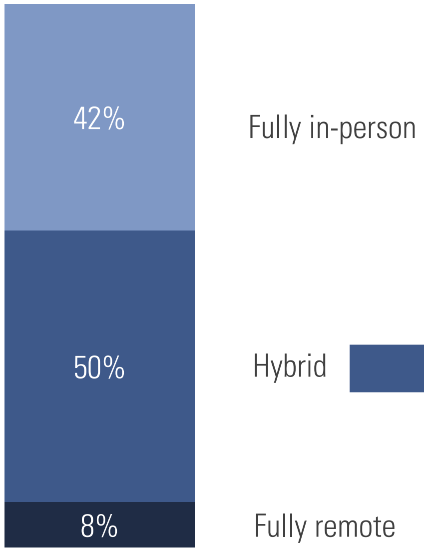
Out of 84 leaders who provided information on remote work arrangements, the majority (86%) reported that at least some portion of their workforce works partially remote. Conversely, 13% of leaders stated that none of their workforce works even partially remote. While 17% of leaders reported that their entire workforce (100%) works at least partially remote, this is a significant decline from the previous report, where 31% of leaders reported that their full staff had partial remote arrangements.

Percentage of workforce working at least partially remote (as reported by leaders) *(n=84)*



Building on the insights provided by leaders, workforce members were asked about their own work arrangements. Findings show a slight lean toward hybrid and remote working, with 58% of the workforce operating outside of a traditional office at least part of the time. For those who are hybrid or in-person, the majority (68%) live in close proximity to their workplace and travel less than 10 miles to get to work.[2]

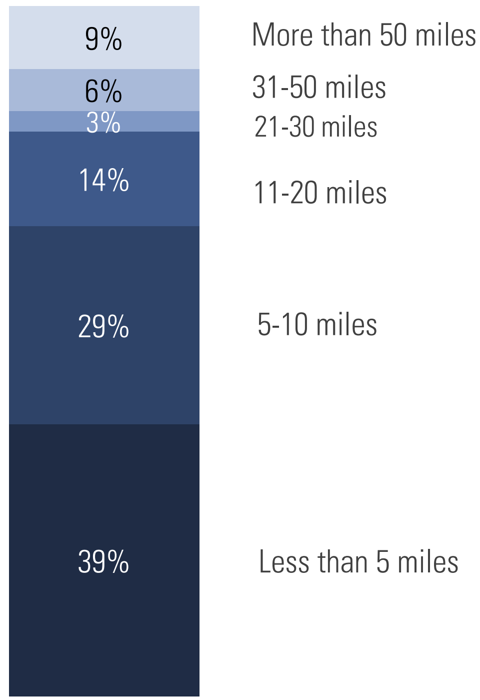
Work arrangement *(n=72)*



If hybrid, the average time working remotely is

44%

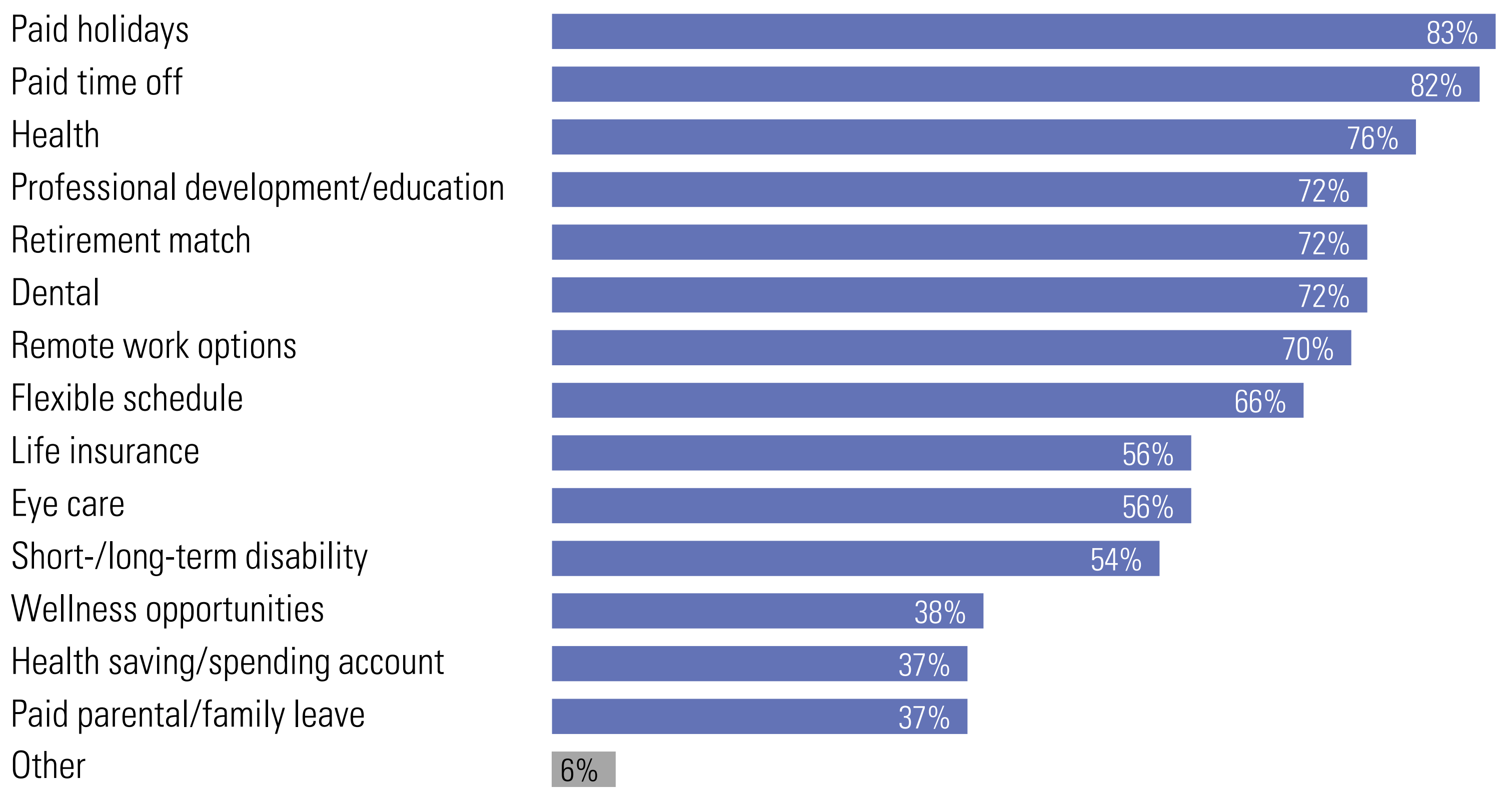
Commuting distance for hybrid and in-person *(n=66)* [2]



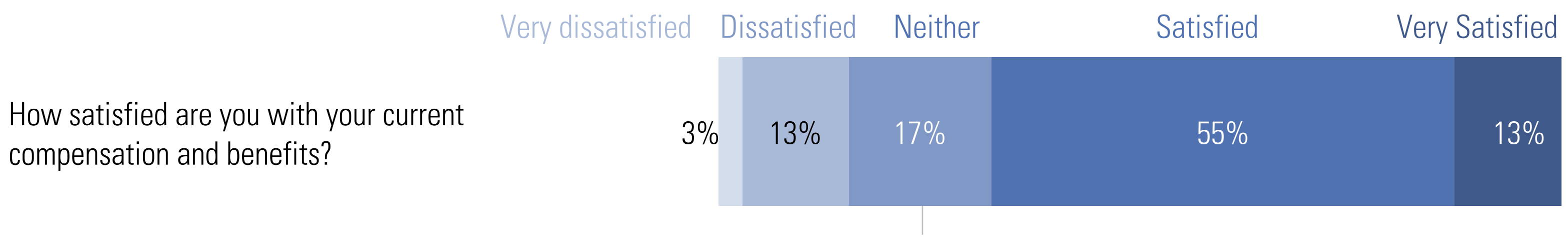
[2] Note: These findings may differ from overall commute distance patterns due to the characteristics and size of the sample.

Workforce members were asked to identify the benefits offered by their organization and rate their satisfaction with these arrangements. While foundational benefits like paid holidays (83%) and paid time off (82%) are common, supplemental support such as wellness opportunities (38%) and paid parental leave (37%) are less frequently reported. Overall, sentiment remains positive, with 68% of the workforce reporting they are satisfied or very satisfied with their total compensation and benefits.

Compensation and benefits *(n=71)*

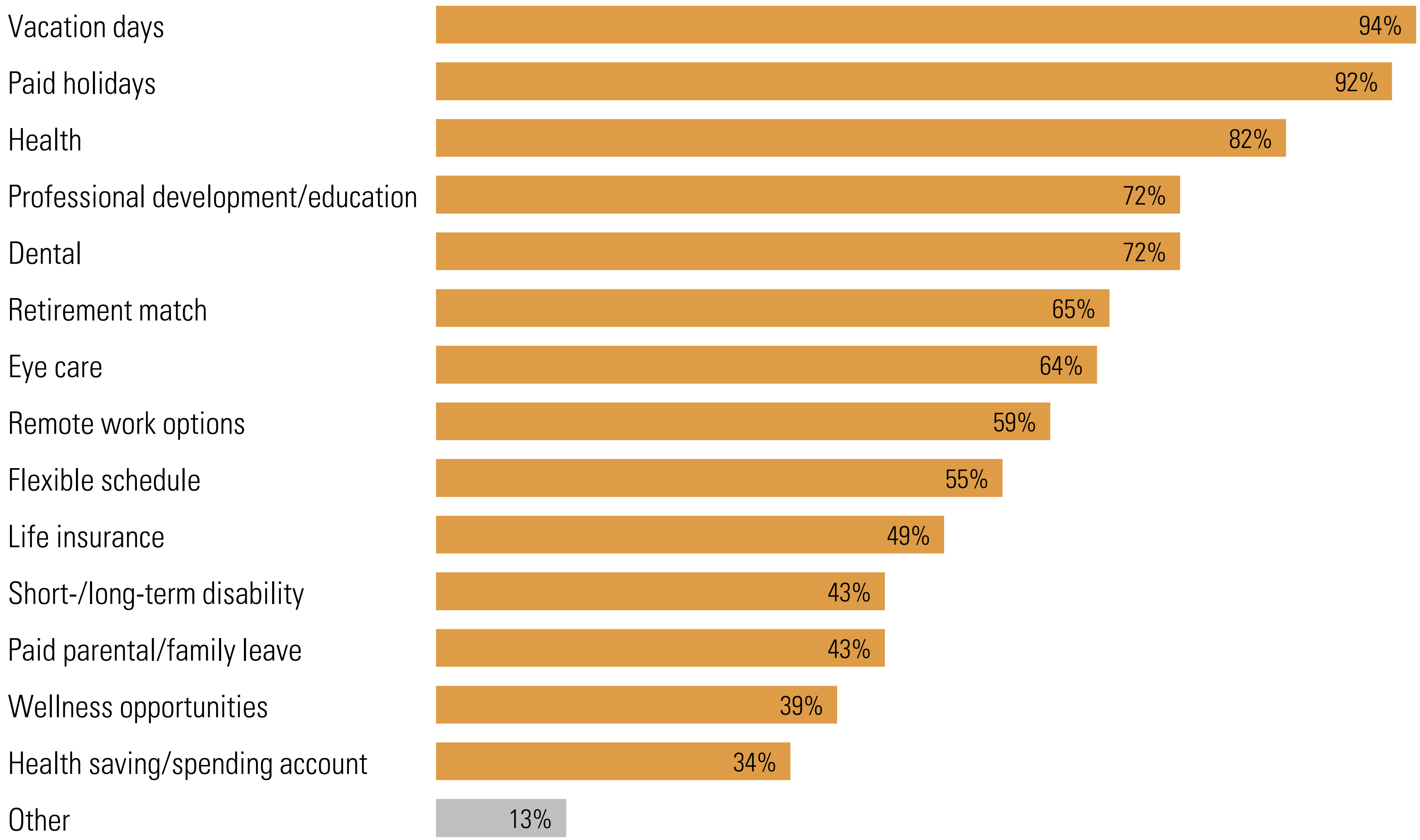


Satisfaction with compensation and benefits *(n=71)*



A direct comparison of the benefits provided, as reported by workforce members and leaders, shows that both groups identify the same core support, primarily paid holidays, vacation, and health insurance, as the most common offering. While the numbers reported for these benefits differ between the two groups, both agree on which types of support are most frequently available.

Benefits provided by your organization (as reported by leaders) *(n=88)*



To understand how support is distributed, leaders were asked to define the criteria staff must meet to qualify for benefits. While offerings vary, access is generally governed by three main factors:

Minimum Hours Required

Full benefits typically require a 30-hour work week, though some organizations offer prorated support starting at 20 hours.

Waiting Period/ Longevity

Most staff face a 30-, 60-, or 90-day probationary period before activation, while retirement matches often require a full year of service.

Employment Type & Qualification

Eligibility is often restricted to "Full-time/ Regular" or "Salaried" staff, which frequently excludes part-time and seasonal workers.

Family Service Agency of Santa Barbara County
(Photo: Veronica Slavin)

Nonprofit Boards & Volunteers

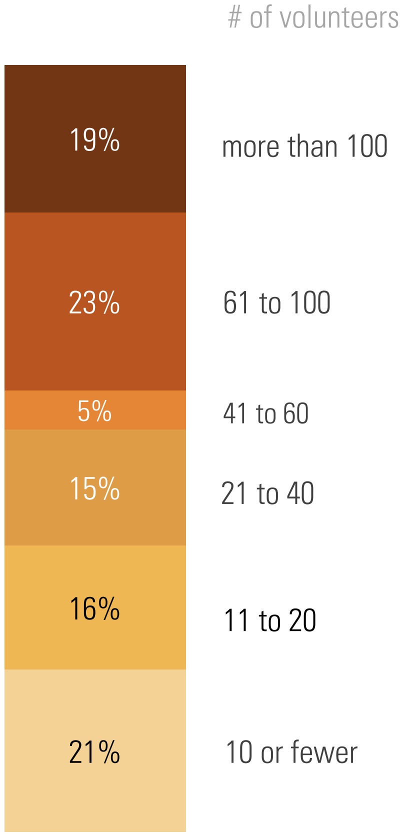
Santa Barbara County's nonprofit sector relies on the strategic guidance of board members and the diverse skills of dedicated volunteers. This section provides an overview of volunteer engagement across different sub-sectors and budget sizes, highlighting the essential roles these individuals play in organizational success. In addition to analyzing total volunteer numbers, the report examines current trends in recruitment, and the specific challenges organizations face in maintaining their volunteer workforce.

88% of participating leaders said that they engage nonprofit volunteers

Survey results indicate that volunteer engagement is a standard practice across the sector, with 88% of participating leaders reporting that they utilize volunteers outside of their board members. While 85% (*n*=88) of organizations in this year's sample have paid employees, this reflects a survey sample that skews toward larger, more active organizations. By contrast, IRS Form 990 and EDD data suggest a different picture across the broader nonprofit landscape, where only 30% of nonprofits report having paid employees.

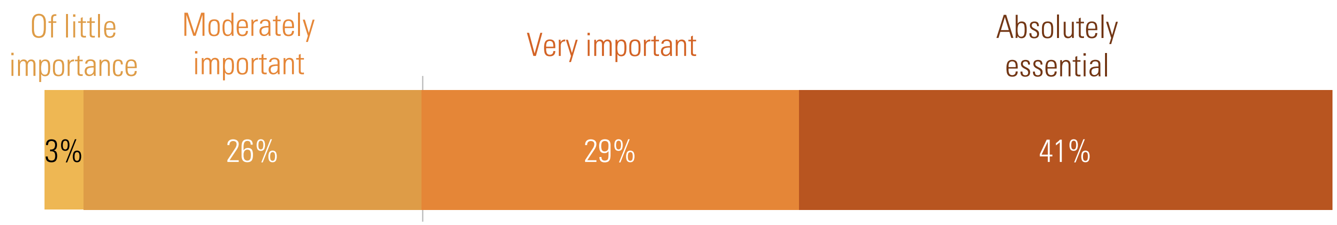
The scale of engagement shows a notable upward shift in larger volunteer cohorts this year, with 41% of respondents reporting 61 or more volunteers compared to 24% in the previous report. Meanwhile, 19% of organizations specifically engage 100 or more volunteers, and 21% operate with 10 or fewer, remaining relatively stable compared to the 26% seen in previous years.

Number of volunteers engaged by surveyed organizations *(n=91)*



Highlighting the critical role of the volunteer workforce in Santa Barbara County, 41% of surveyed nonprofit leaders identified volunteers as “absolutely essential” to delivering their organization’s mission. While this reliance is sector-wide, these findings remain nearly identical to the previous report (2023/2023), with volunteers continuing to perform a wide range of roles including direct services, fundraising, and administrative support.

Importance of volunteers in delivering mission *(n=92)*



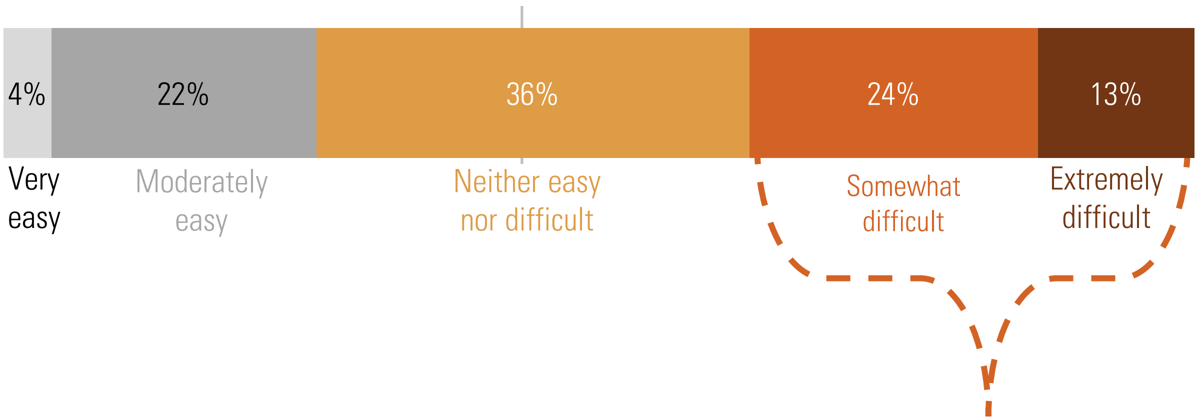
Volunteer Roles

- ✓ Program support/facilitation
- ✓ Direct service delivery/client-facing
- ✓ Event support/fundraising
- ✓ Outreach/community engagement
- ✓ Specialized/professional services
- ✓ Board governance/leadership
- ✓ Maintenance/operations
- ✓ Administrative/clerical support

On average, leaders estimated that **55%** of their organization’s volunteers engage in **long-term** volunteering (volunteering regularly) while **45%** engage in **short-term** volunteering (once or for special events).

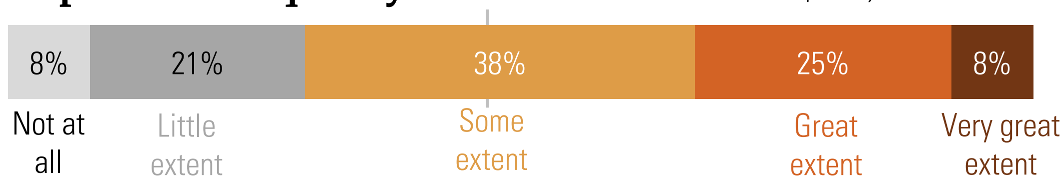
While nonprofit leaders continue to emphasize the critical role of the volunteer workforce, 37% reported difficulties in recruiting the necessary volunteers to fulfill their organization's mission. This reflects a trend consistent with the 2022/2023 report, where 40% reported similar recruitment challenges.

Difficulties in recruiting volunteers *(n=90)*



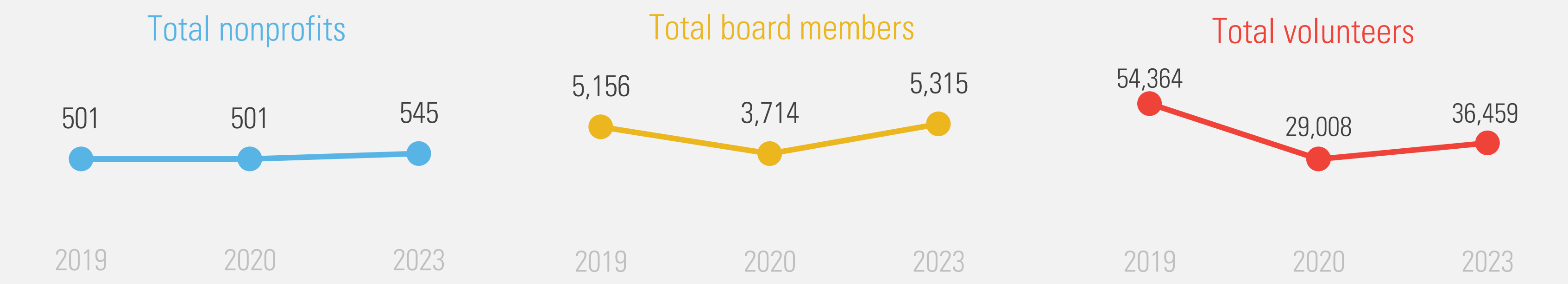
Among the 24 leaders who identified volunteer recruitment difficulties, the majority indicated that these shortages adversely affected the quality of services provided by their organization to some extent. This represents a shift from the previous report (2022/2023), in which only 16% of respondents reported little to no impact on service delivery, compared to 29% of leaders who reported the same this year.

Impact on the quality of services delivered *(n=24)*



Between 2019 and 2023, the total number of nonprofits and board members increased. During this same time, the number of volunteers decreased notably from 2019 to 2023, though there was a slight rebound since the more substantial drop during the early stages of the COVID-19 pandemic. The total number of nonprofits held steady at 501 between 2019 and 2020 before increasing to 545 by 2023. Board members fell from 5,156 in 2019 to 3,714 in 2020 before recovering to 5,315 by 2023, a 3% increase overall. Similarly, volunteers dropped during the pandemic before rebounding, growing by 7,451 between 2020 and 2023, representing a 26% increase since the pandemic low. This is still 33% below the volunteer count in 2019.

Nonprofits, board members, and volunteers reported in Form 990 data FY2023[3]



The total number of **nonprofits** increased from 2020 to 2023 by 8.8%, the number of **board members** increased by 3%, and **volunteers** increased by 26%.

[3] Note. Excludes Direct Relief, hospitals, and higher education institutions, and reflects only 501(c)(3) public charities with complete board member disclosures on IRS Form 990 (fiscal years ending circa 2023).

The impact of the increase in the number of board members and volunteers was not consistent across all subsectors, with some subsectors experiencing more significant increases than others. Environment and health nonprofits had the most significant increase in board members, with a 156% and 75% increase, respectively. In contrast, education and public and societal benefit subsectors experienced decreases in total volunteers, with a 36% and 19% percentage decrease, respectively.

Board members & volunteers by subsector, Form 990 in FY2023

Subsector	# of nonprofits		Board members			Volunteers		
			Total		% change	Total		% change
	2020	2023	2020	2023	2020→2023	2020	2023	2020→2023
Arts, culture, and humanities	65	75	570	848	49%	2,473	3643	47%
Education	80	90	921	1063	15%	5,598	3577	-36%
Environment	40	47	135	345	156%	1,834	5108	179%
Health	54	60	369	647	75%	1,530	3597	135%
Human services	168	183	1,172	1670	42%	10,788	13928	29%
International	15	12	83	106	28%	2,069	2578	25%
Public and societal benefit	57	60	415	567	37%	4,664	3768	-19%
Religion	22	18	49	69	41%	52	260	400%
Santa Barbara County	**501**	**545**	**3,714**	**5,315**	**43%**	**29,008**	**36459**	**26%**

The change in the number of board members and volunteers was not consistent across all organizational budget sizes. Organizations with budgets between $10–20 million experienced the largest increases in both board members and volunteers, while mid-sized organizations generally saw moderate growth; in contrast, smaller organizations with budgets under $250,000 experienced declines or minimal growth in volunteers, with the sharpest decrease among those with budgets of $50,000 or less.

Board members & volunteers by budget size, Form 990 in FY2023

Budget Size	# of nonprofits	Board members		Volunteers	
		Total	% change 2020→2023	Total	% change 2020→2023
Above $20M	17	330	74%	3346	22%
$10M to $20M	21	336	113%	5221	232%
$5M to $10M	32	471	26%	5101	81%
$1M to $5M	124	1358	23%	11312	11%
$250,000 to $1M	169	1407	36%	8063	0%
$50,000 to $250,000	145	1207	68%	3310	-5%
$50,000 and below	37	206	54%	106	-37%
Santa Barbara County	**545**	**5,315**	**43%**	**36,459**	**26%**

Nonprofit leaders provided a detailed look into the hurdles of building volunteer teams, describing a landscape where recruitment encounters challenges due to scheduling and financial needs. These obstacles primarily coalesced around time, availability, and commitment, as organizations struggle to find individuals for long-term roles or weekday shifts.

Challenges also involve recruitment, marketing, and outreach, where many nonprofits lack formal strategies to publicize opportunities beyond their immediate networks. Furthermore, internal capacity and support constraints make it difficult to effectively coordinate and manage volunteers, while shifting motivations and skill mismatches reflect a trend where potential volunteers have competing priorities or increasingly seek compensation for their labor.

Volunteer recruitment & management challenges (Leaders) *(n=56)*

Lack of ability to attract volunteers, communication issues

"Recruiting people outside of our immediate sphere of known contacts."

Volunteer availability, long-term commitment, competing priorities

"We are open during business hours, which makes it hard for working adults and students."

Lack of experienced staff, problems with coordination, engagement, and infrastructure

"Recruiting is not that difficult. Making sure they are trained, supported, etc. has been difficult..."

Changing mindsets post-pandemic, request for pay, lack of motivation

"We cannot pay or offer folks stipends for their time..."

Finding the right qualified persons, limited ability or willingness, and certifications

"Skill sets not applicable to organizations needs."

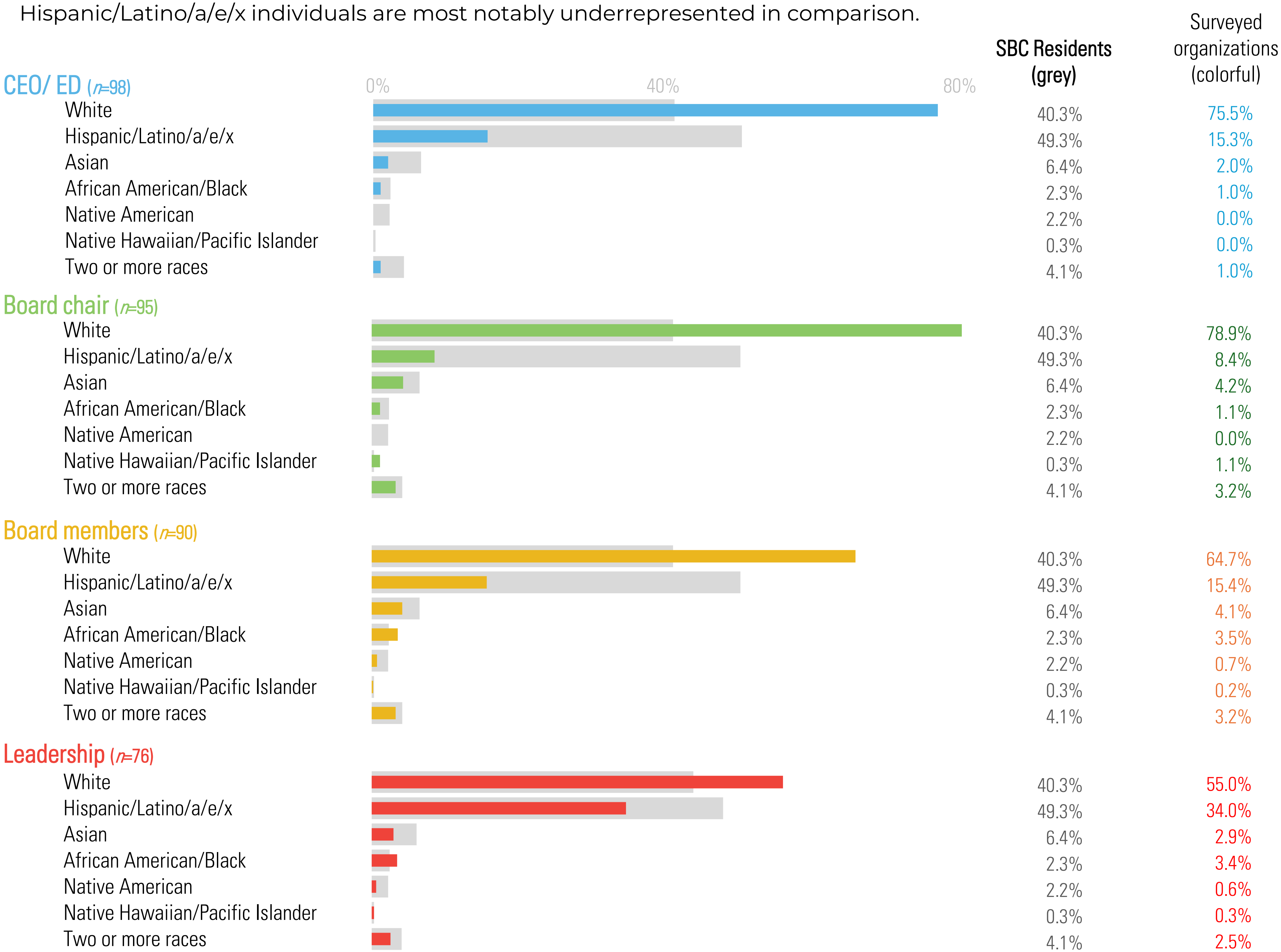
Size reflects frequency of responses

Boxtales Theatre Company Summer Camp
(Photo: Lauren Shearon)

Diversity, Equity, Inclusion, and Access (DEIA)

DEIA is central to the mission of many nonprofit organizations in Santa Barbara County. This section features insights from both leadership and workforce members regarding pressing DEIA needs and the specific challenges encountered in regional practice. The report highlights the evolving strategies organizations are implementing to foster equity, from diversifying leadership to refining program delivery through community input. Additionally, this analysis examines the current demographic representation within boards and executive roles, highlighting the sector's ongoing efforts to align its internal structures with the communities it serves.

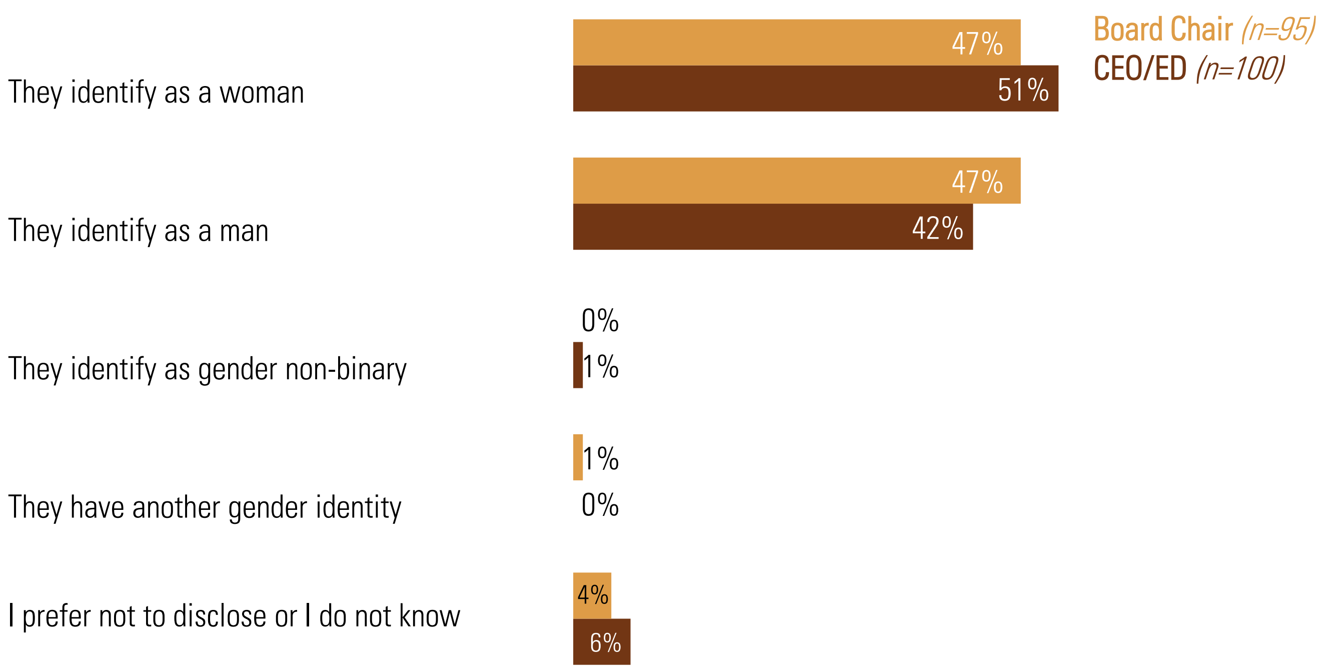
The figure below displays a comparison between leader responses and the demographics of Santa Barbara County residents obtained from the 2020 Census. Data presented in the figure shows that white individuals hold a higher percentage of leadership positions than their representation in the Santa Barbara County (SBC) population, while Hispanic/Latino/a/e/x individuals are most notably underrepresented in comparison.



Leaders were asked to provide further demographic information about their CEO/Executive Director and Board Chair.

The results showed that a larger percentage of individuals identifying as a woman held CEO/Executive Director positions (51%), while Board Chair positions were more equally held by individuals identifying as a man or a woman (47%).

CEO/ED & Board Chair gender identity[4]



[4] Note: Information regarding other demographic identities of CEOs and Board Chairs is not presented due to a low response rate.

Workforce members provided a candid look at the most pressing DEIA needs, revealing a landscape where organizations often struggle to turn good intentions into tangible action. These concerns primarily center on inclusion, culture, and organizational commitment, highlighting internal barriers like non-inclusive environments and a lack of true accessibility. A recurring theme is the lack of diversity in leadership, with respondents noting that top management rarely mirrors the communities they serve—a gap that extends to the urgent need for bilingual and bicultural Staff. Finally, systemic issues regarding compensation and pay equity remain a critical barrier, as low salaries and a high cost of living effectively exclude low-income demographics and perpetuate classism within the sector.

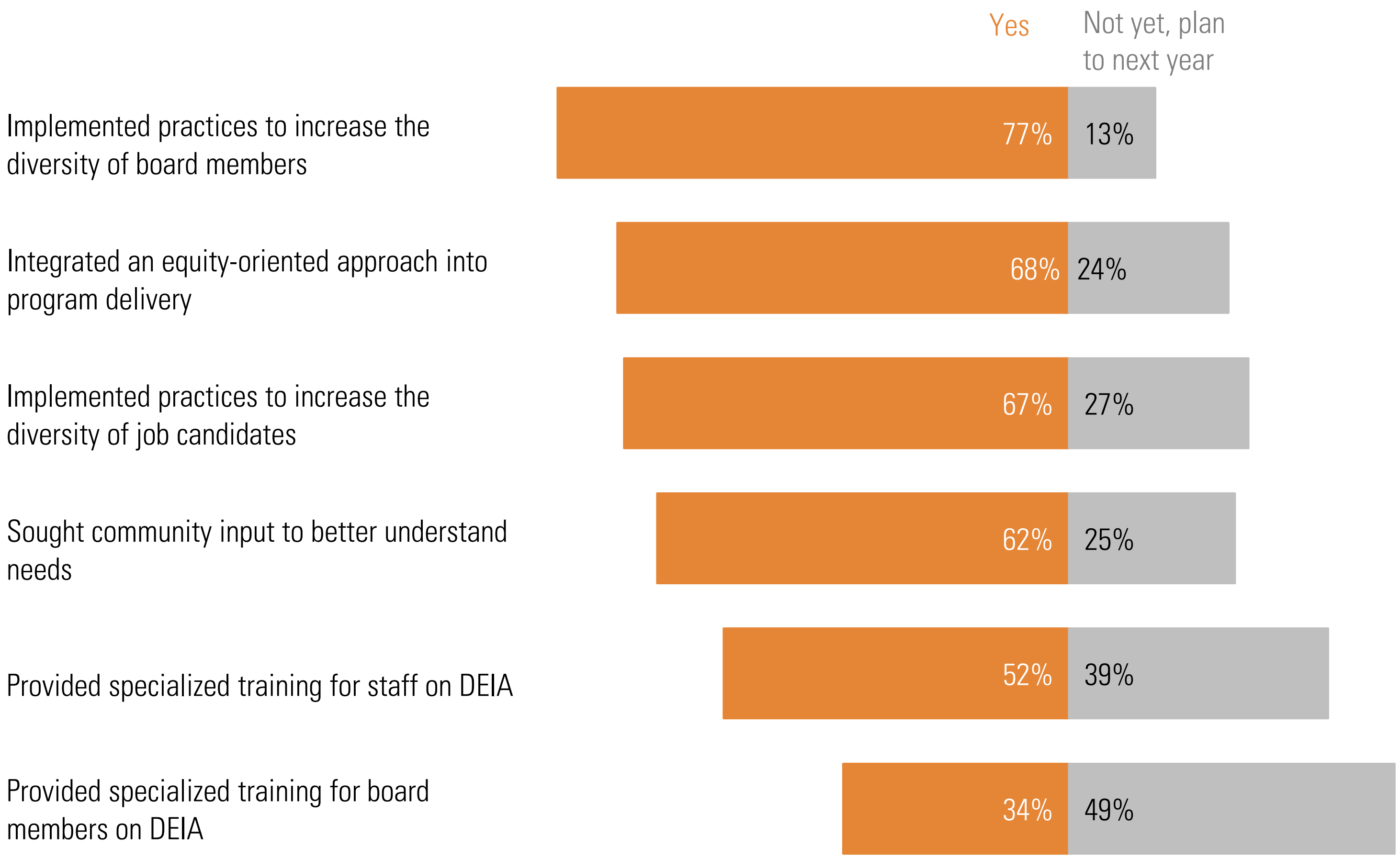
Most pressing organization DEIA needs (Workforce) *(n=55)*

Inclusion, Culture, and Organizational Commitment	Internal issues related to non-inclusive workplace culture, and addressing barriers such as HR support or accessibility.	*"DEIA does not seem to be a priority and much of what is said and done is performative. I think we need our leadership to be more diverse for sure."*
Lack of Diversity in Leadership & Workforce	Concerns over the demographic representation across all levels, and the need for more diverse staff and volunteers.	*"The two co-founders are both white and have a lot of wealth, I think sometimes that distorts their knowledge of the reality most of the staff face."*
Language and Community Access	Need for linguistic accessibility and hiring staff who reflect specific non-English speaking or under-engaged community populations.	*"I think the biggest thing we're always trying to do is to hire people that mirror the communities we're serving."*
Compensation, Pay Equity, and Systemic Barriers	Challenges related to salary, pay equity, and a call to address classism and poverty as DEIA issues.	*"Education about how classism and poverty are aspects of DEI - these are rarely mentioned or addressed alongside trendier topics like sexuality, race, gender."*
Organizational Affirmation and Strategic Focus	The organization is already addressing DEIA, with strategic planning, existing programs, or strong organizational commitment.	*"We are in the stage of finalizing a strategic plan. We've been intentional in including a DEAI lens in all we do, so it is part of our DNA."*

Size reflects frequency of responses

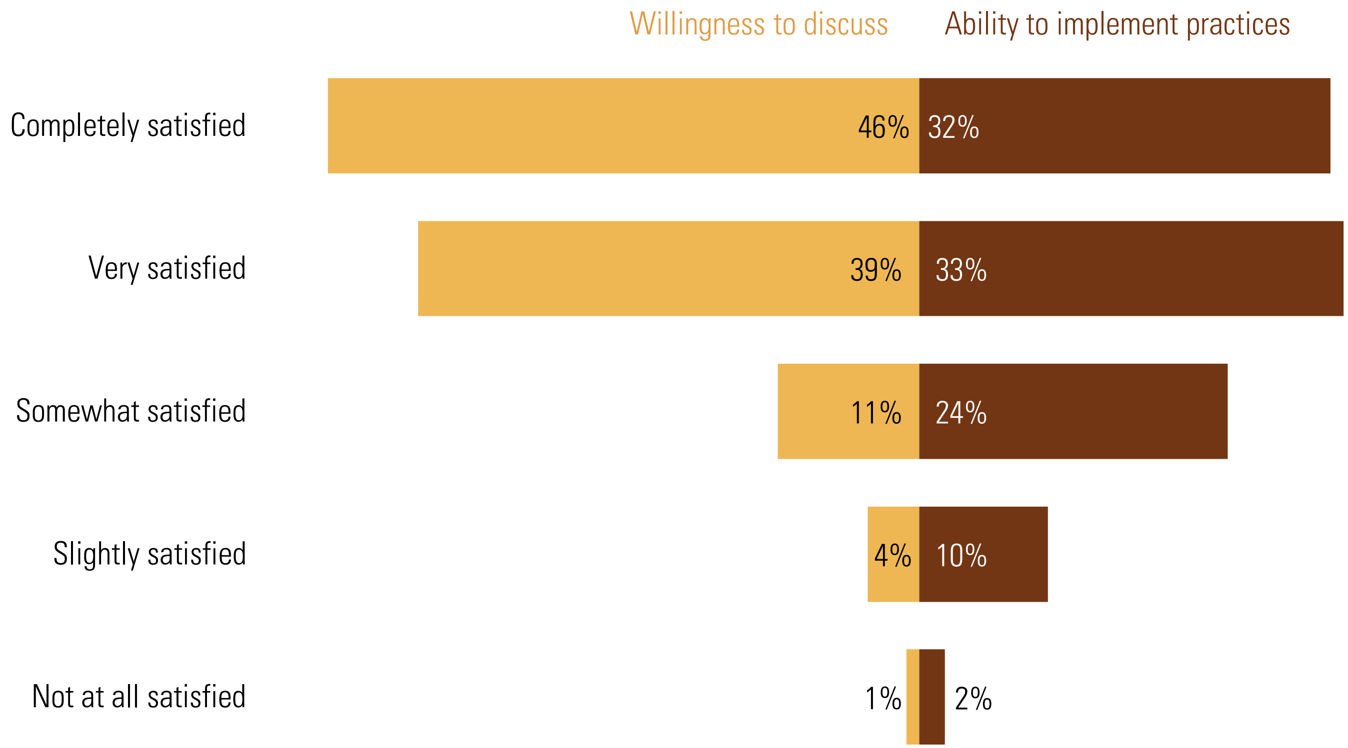
Nonprofit leaders provided a window into how their organizations are currently moving from DEIA commitments to concrete practices. The most established efforts reported this year center on diversifying board membership (77%) and adopting equity-oriented program delivery (68%). While these findings reflect distinct data points from our previous 2022/2023 report, the results suggest an ongoing trend toward prioritizing both board diversity and the specialized training needed to sustain it. Notably, specialized DEIA training, which saw the lowest engagement in both samples, is seeing a surge in momentum: 83% of organizations now report either having this training in place or planning for it in the coming year, a marked increase from the 61% reported in the previous study.

Actions nonprofits have taken to promote DEIA *(n_s=98→100)*



Nonprofit leaders shared their perspectives on their organizations' internal climate for DEIA work, specifically weighing their satisfaction with their organization's willingness to discuss these issues against their actual ability to implement practices. The current findings suggest a high level of comfort with dialogue, as 85% of leaders reported being completely or very satisfied with their organization's openness to DEIA conversations; however, satisfaction with the ability to implement these practices remains lower at 65%. While these findings represent separate snapshots in time, comparing them to the 2022/2023 report reveals a notable upward trend in both areas: satisfaction with the willingness to discuss increased from 74% (in 2022/2023) to 85%, while the ability to implement rose from 52% (in 2022/2023) to 65%. This suggests that while an "implementation gap" persists, organizations are reporting greater satisfaction in their capacity to move beyond conversation and into action.

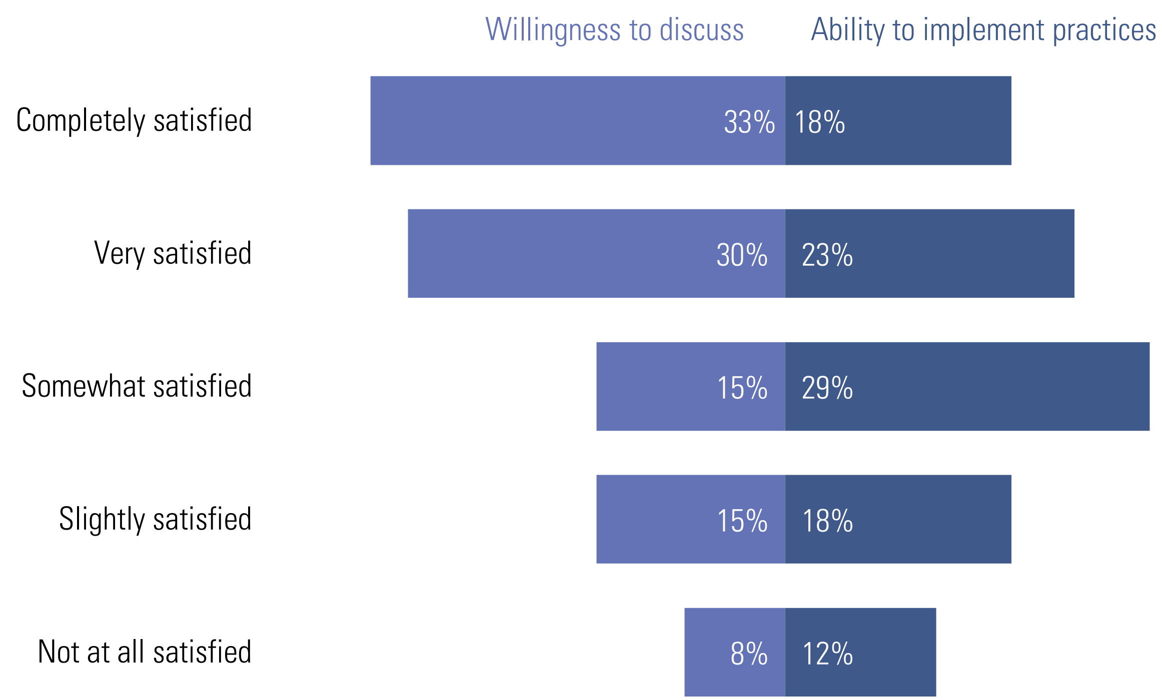
Satisfaction with nonprofit's willingness to discuss and ability to implement practices that increase DEIA *(n_s=103→ 104)*



When looking at how nonprofit leaders compare to the broader workforce, a gap appears in how each group experiences their organization's commitment to DEIA. While these findings represent distinct groups from separate surveys—and do not necessarily reflect a one-to-one comparison within the same organizations—the data suggests that leaders generally feel more positive about the internal climate than those in non-leadership positions.

For instance, 85% of leaders reported being "completely" or "very" satisfied with their organization's willingness to discuss DEIA, compared to 63% of the workforce respondents. This difference continues regarding the ability to implement actual practices. While 65% of leaders expressed high satisfaction with their organization's capacity to execute DEIA initiatives, only 41% of the workforce shared that sentiment. Additionally, 30% of the workforce respondents reported they are only "slightly" or "not at all" satisfied with implementation, whereas only 12% of leaders felt the same.

Satisfaction with nonprofit's willingness to discuss and ability to implement practices that increase DEIA *(n=66)*



When asked how their organizations have adjusted or introduced changes to DEIA practices beginning in 2025, the majority (69%) of respondents reported no changes. However, qualitative feedback reveals that this lack of change often stems from resilience rather than disengagement. Many organizations described themselves as “standing fast” in their values and reaffirming a “renewed internal commitment to DEIA.”

While some organizations noted they face fewer external threats because they are “not federally funded,” others explicitly stated they would “not comply in advance” with shifting political pressures. These voices point to a sector that remains deeply committed to its values, maintaining DEIA as a guiding principle even in the face of uncertainty.

69%

The majority (~69%) of leaders indicated **no changes**.

“We are standing fast and strong by continuing our DEIA commitments and work around these topics. We are not federally funded so do not have that threat.”

“Renewed internal commitment to DEAI.”

“We have not done a single thing. We have made the decision not to comply in advance. Changes will only be considered if we are directly asked/told to do so.”

For the organizations that reported making changes to their DEIA practices beginning in 2025, the qualitative data reveals a spectrum of strategic adaptations. While the majority reported no changes, those that did typically followed one of three distinct paths: navigating external compliance, reaffirming their internal commitment, or formalizing policies.

Changing to Comply with Ordinances

"We have had to modify our language to talk about health access instead of using DEI. We have not modified our programming."

"Took down the DEI webpage changed the language used on our website."

Doubling Down

"No changes we have doubled down on DEIAJ efforts."

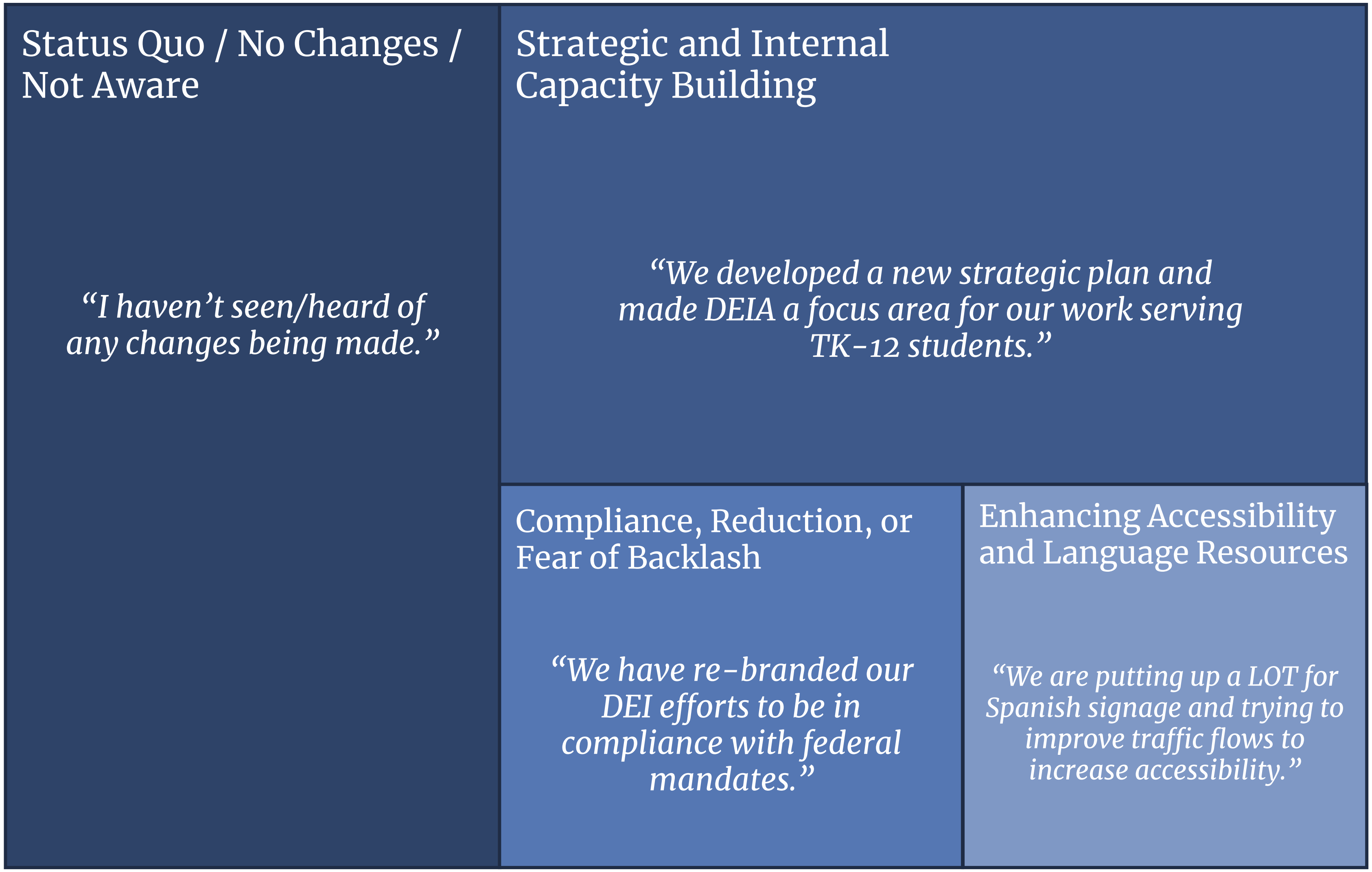
"DEIA is now part of our strategic plan so we have not moved away from it but leaned into it."

Changes to Policy, Language, or Hiring

"We have evaluated language and how we communicate the work that we have engaged in for decades."

Workforce respondents identified several key shifts in how organizations are managing DEIA practices in 2025. Many reported a status quo, where policies remained unchanged because inclusivity was already a priority or staff were unaware of new adjustments. Others observed a push for capacity building, characterized by hiring more representative staff and boards or investing in specialized leadership training. A third group noted a move toward compliance and caution, with some organizations "re-branding" or removing DEIA language from public platforms to navigate funding mandates or potential backlash. Finally, a focus on accessibility emerged through expanded language resources, such as increased bilingual signage and translation services for community outreach.

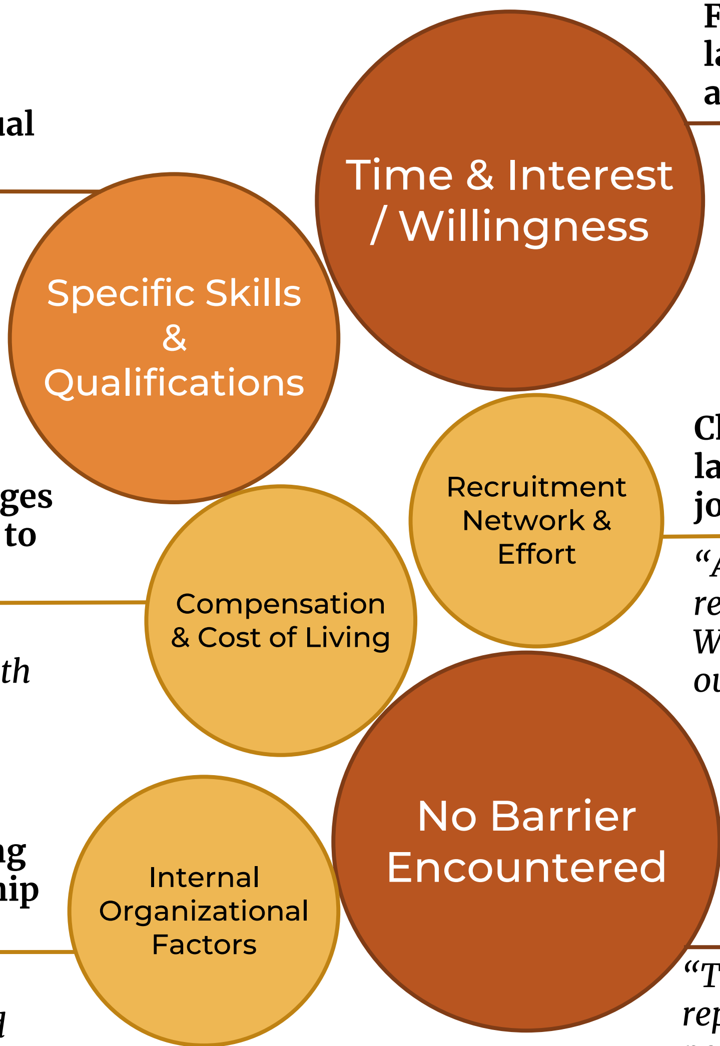
Current organizational DEIA practices (Workforce) *(n=53)*



Size reflects frequency of responses

Leaders identified several distinct challenges to increasing board and staff diversity within their organizations. While some have already reached their goals or report no barrier encountered, others face a struggle with time and interest/willingness and specific skills, citing a lack of candidate bandwidth or specialized expertise. Compensation and cost of living also represent a significant hurdle, as high local living costs and non-competitive wages impact both recruitment and retention. Finally, internal organizational factors and a limited recruitment networks, such as high giving requirements and ineffective outreach, continue to be challenges for many.

Challenges to increasing board & staff diversity (Leaders) *(n=63)*



Candidates without sufficient education, expertise, or bilingual capabilities

"Qualified individuals with the expertise and skill sets we seek."

Finding people with enough time, lack of interest, misalignment in the applicant pool

"Many of the folks who fit the demographics and/or lived experience of those we serve are either already serving on other boards or working individuals who don't have the bandwidth to take on more."

Inability to pay competitive wages and meet cost of living leading to turnover and hiring issues

"Recruiting bilingual staff in a competitive environment with both salary and housing challenges."

Challenges in recruitment methods, lack of focused outreach, ineffective job postings

"Applicant pool is determined by who receives notification of the vacancy. We could do a better job sending those out to diverse communities."

Lack of term limits, high giving requirements, lack of leadership understanding

"Barriers have been in increasing diversity on the board due to the current lack of diversity."

Already achieved diversity, mitigated barriers, and has no challenges at the time

"The board was chosen to be representative of our community, and we persisted in making sure of that before forming the board."

Size reflects frequency of responses

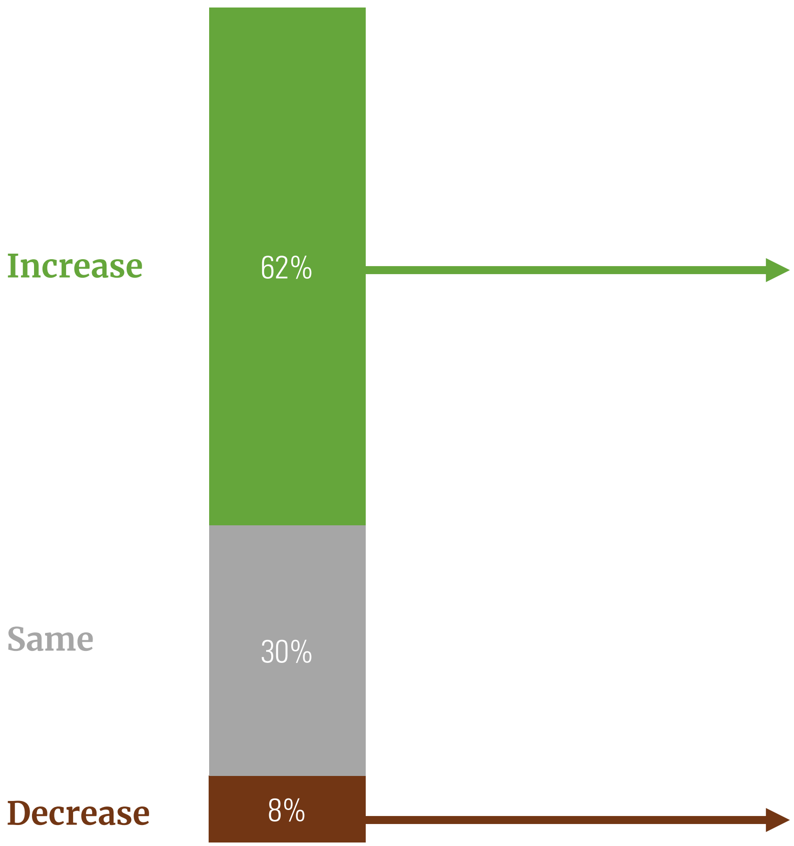
Quail Springs Cuyama Valley (Photo: Quail Springs)

Demand for Services

Nonprofits across Santa Barbara County continue to face an escalating demand for services driven by a complex range of community and political factors. This section explores the self-reported drivers behind these shifting needs and reflects the internal capacity of organizations to respond effectively. It also describes how nonprofits characterize their own ability to maintain service quality while managing increased demand and evolving community expectations.

The majority of leaders reported an increase in demand for their services, with 62% indicating growth, including 22% reporting a substantial increase and 40% a moderate increase. This represents a decline from the 2022/2023 report, where 82% reported increased demand. In the current findings, increases were most common among philanthropy, mutual benefit, and higher education organizations, while arts organizations more often reported stable demand and environmental organizations more often reported decreases.

Demand for organization services *(n=98)*



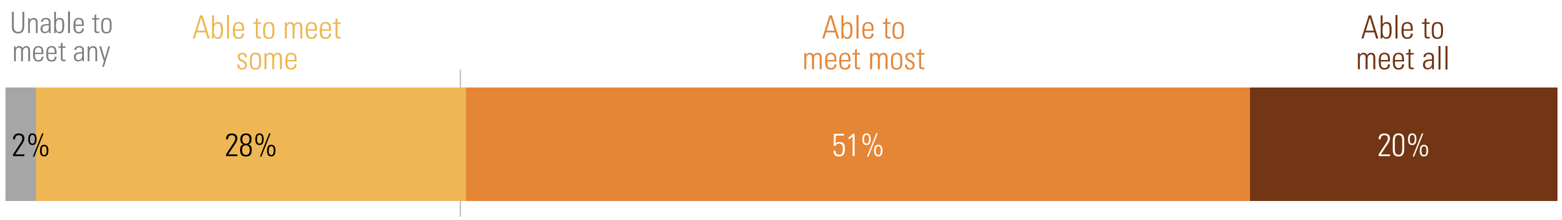
Factors that have led to the change

"More people have learned about our services and entered phases of life where our services are needed, but availability of services in the county has remained flat overall."
— Human Services Organization

"Still affects from COVID"
— Human Services Organization

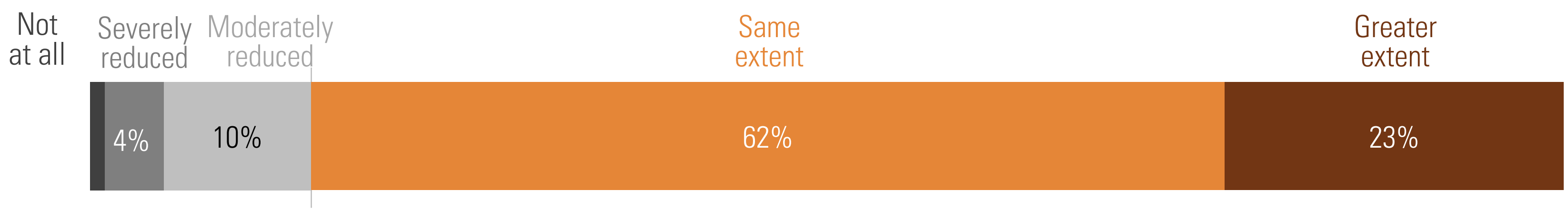
For the 62% of leaders who reported an increase in demand for their organization's services, keeping pace with community needs remains a challenge. In the current survey, 20% of respondents stated their organizations are able to fully meet this increased demand, while 51% reported being able to address most of it. In the 2022/2023 survey, 12% were fully able to meet demand and 33% could meet most.

Organizations' ability to meet demand for services *(n=61)*



In the current survey, most leaders reported that their program operations are either provided to the same extent as usual (62%) or to a greater extent (23%). A smaller portion of respondents reported a moderately reduced capacity (10%), while very few reported a severely reduced capacity (4%) or not delivering services at all (1%). In the 2022/2023 survey, 37% of leaders provided services to a greater extent, 35% to the same extent, and 28% at a reduced capacity or not at all.

Delivery capacity of organization services *(n=99)*



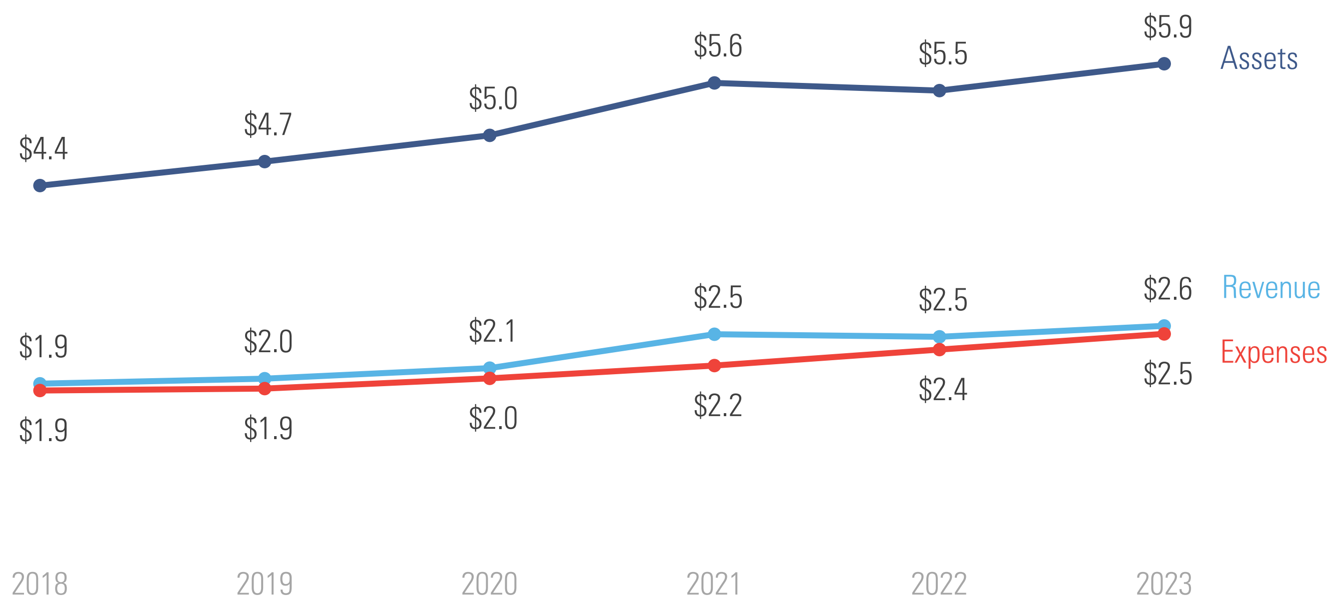
Financial Health of the Sector

Financial stability in Santa Barbara County's nonprofit sector is sustained through a combination of contributions, grants, program revenue, and diverse funding streams. This section reviews self-reported financial health indicators and shares leaders' projections for the coming year. The section examines the status of operating cash reserves and the specific impacts of inflation on organizational operations and budgets. Additionally, this section describes how organizations are navigating the loss of federal funding, their evolving relationships with funders, and the strategic actions taken to secure future support, including instances of mission adaptation or expansion.

CASA of Santa Barbara County (Photo: CASA)

The nonprofit sector in Santa Barbara County has demonstrated continuous expansion in terms of revenue, expenses, and assets, as indicated by the most recent six years of IRS tax data. The total assets held by the nonprofit sector in the county reached $5.9 billion in 2023.

Santa Barbara County 6-year trend in revenue, expenses, and assets (in billions)[5]



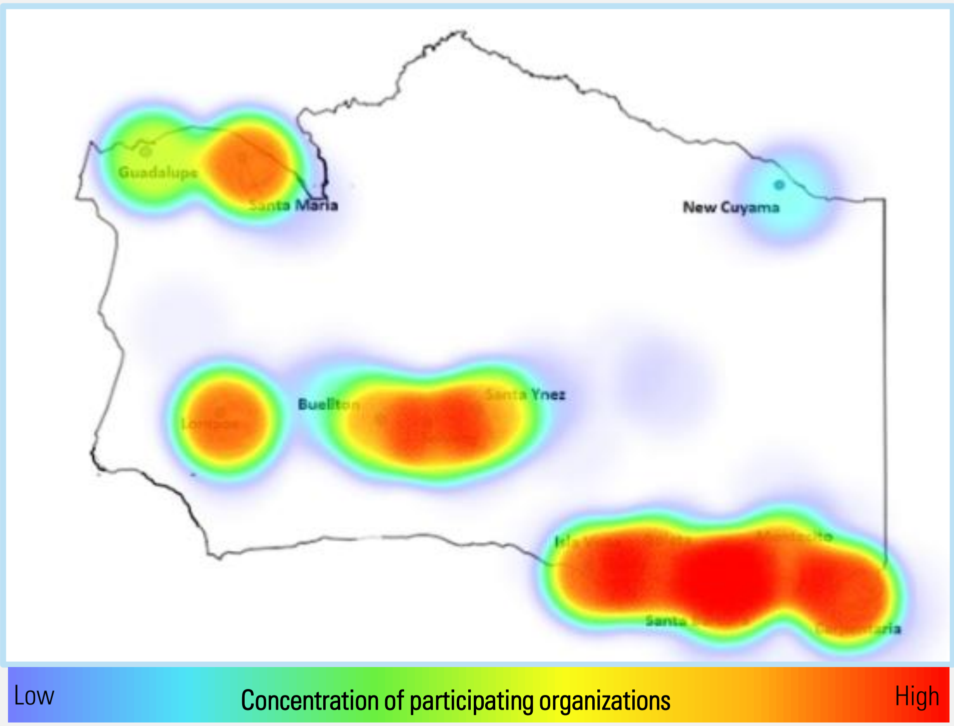
[5] Excludes hospitals, higher education, and Direct Relief

Distribution of nonprofits and assets by region

IRS data reveal a persistent imbalance in how nonprofit resources and financial assets are distributed across Santa Barbara County. South County continues to have a greater concentration of headquartered nonprofits and substantially more assets per capita than North or Mid-County; for example, South County has one nonprofit for every 348 residents, compared to one for every 1,170 individuals in North County.

Number and assets of nonprofits, Form 990/990EZ in FY2020 & FY2023[6]

Region[7]	# of nonprofits		Population per nonprofit		Revenue per capita		Assets per capita	
	2020	2023	2020	2023	2020	2023	2020	2023
North County	116	132	1,300	1,170	$1,452	$1,772	$1,739	$1,821
Mid-County	128	146	639	561	$1,037	$1,322	$2,228	$3,152
South County	603	597	353	348	$8,564	$10,884	$21,287	$25,573
Santa Barbara County	**847**	**875**	**526**	**508**	**$4,774**	**$5,953**	**$11,169**	**$13,182**



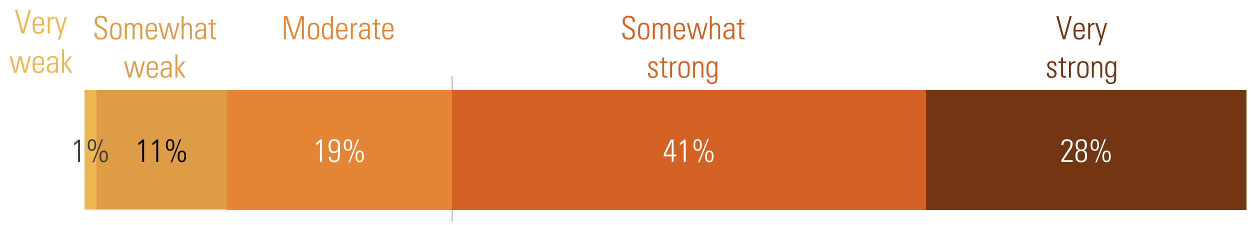
While South County has a higher concentration of nonprofit headquarters, the leader survey shows that these organizations often provide services beyond their main office locations. This regional reach is visualized in the heatmap on page 10, which represents the various areas served by participating nonprofits.

[6] Excludes Direct Relief, hospitals, and higher education, though it may include organizations directly related to the higher education systems, such as UC foundations and alumni associations. [7] Refer to Appendix on page 95 for information on regional classification.

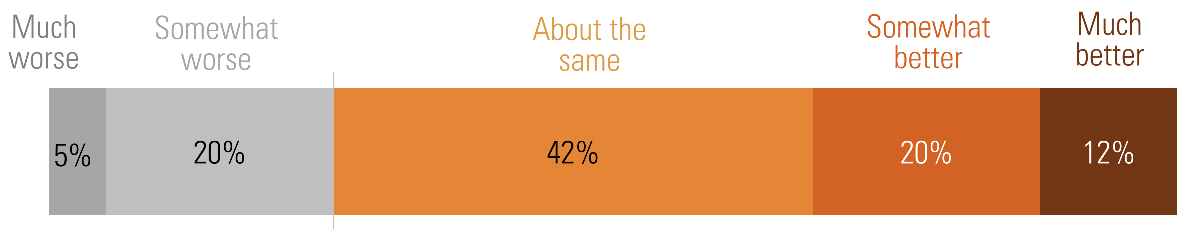
Most nonprofit leaders report a favorable financial situation, with 69% (*n*=67) describing their current financial health as somewhat or very strong. These figures are consistent with the 2022/2023 report (67% reported somewhat or very strong).

Looking ahead, 74% of leaders (*n*=73) predict their financial health will either stay the same or improve over the next 12 months. This represents a decline in optimism from the 2022/2023 report, when 94% of leaders expected their situation to remain stable or improve, and only 6% anticipated it would worsen.

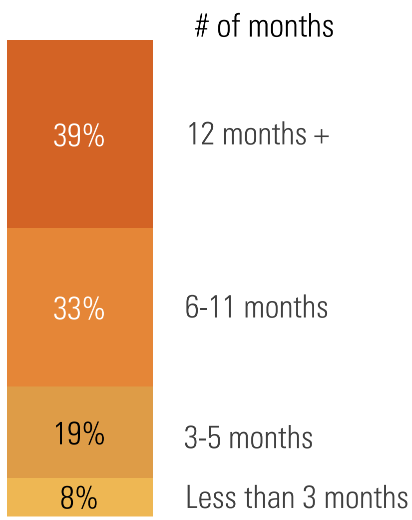
Financial health of your organization today *(n=98)*



Expectation of financial health in 12 months *(n=98)*



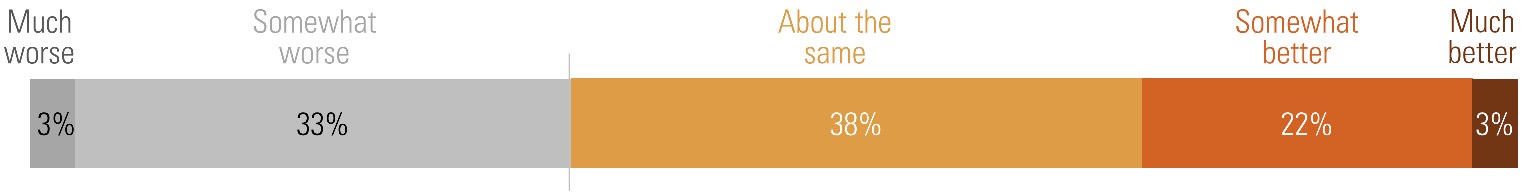
Months of operating cash reserves on hand *(n=92)*



Additionally, survey responses highlighted the proportion of the organizations that have a healthy cash reserve, with 72% of the respondents (*n*=66) reporting having six or more months of cash reserves on hand, which is higher than the typical amount for nonprofits.

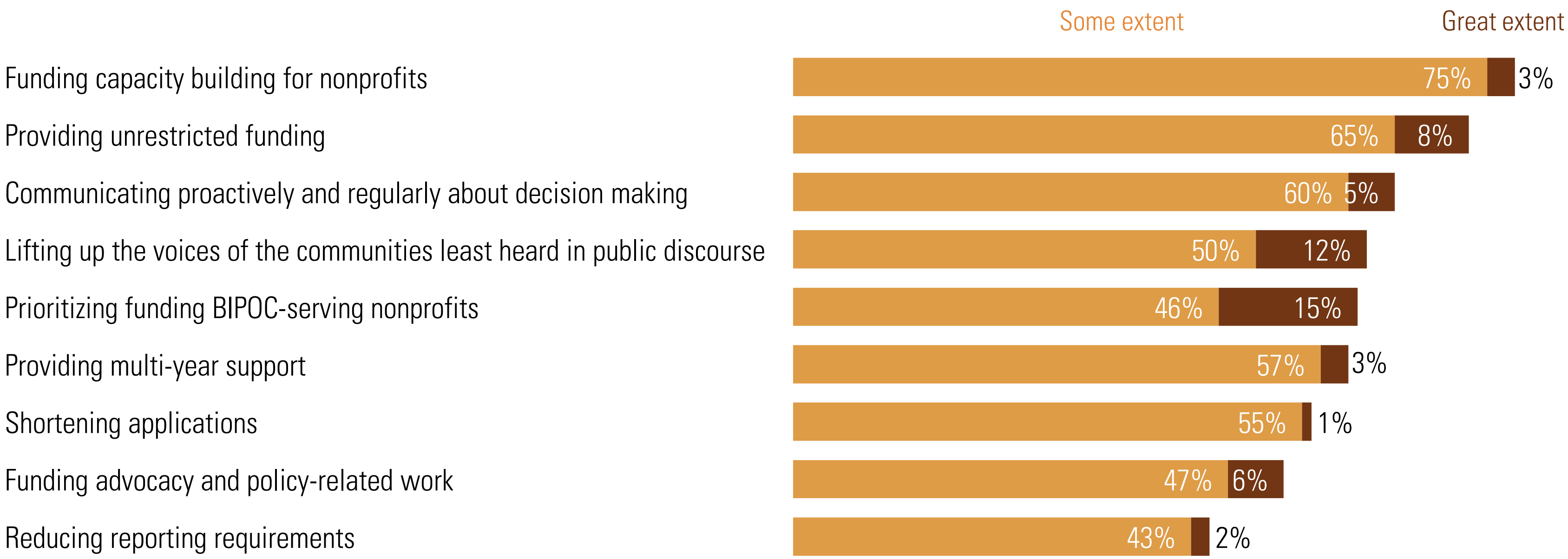
Leaders also predicted a declining outlook for fundraising for the next fiscal year, with 38% predicting that it would be the same and 36% somewhat or much worse than the previous year. This is a decline from the 2022/2023 report where 14% of leaders predicted the next fiscal year would be worse for fundraising and 51% predicted it would hold steady.

Fundraising outlook for the next fiscal year *(n=94)*



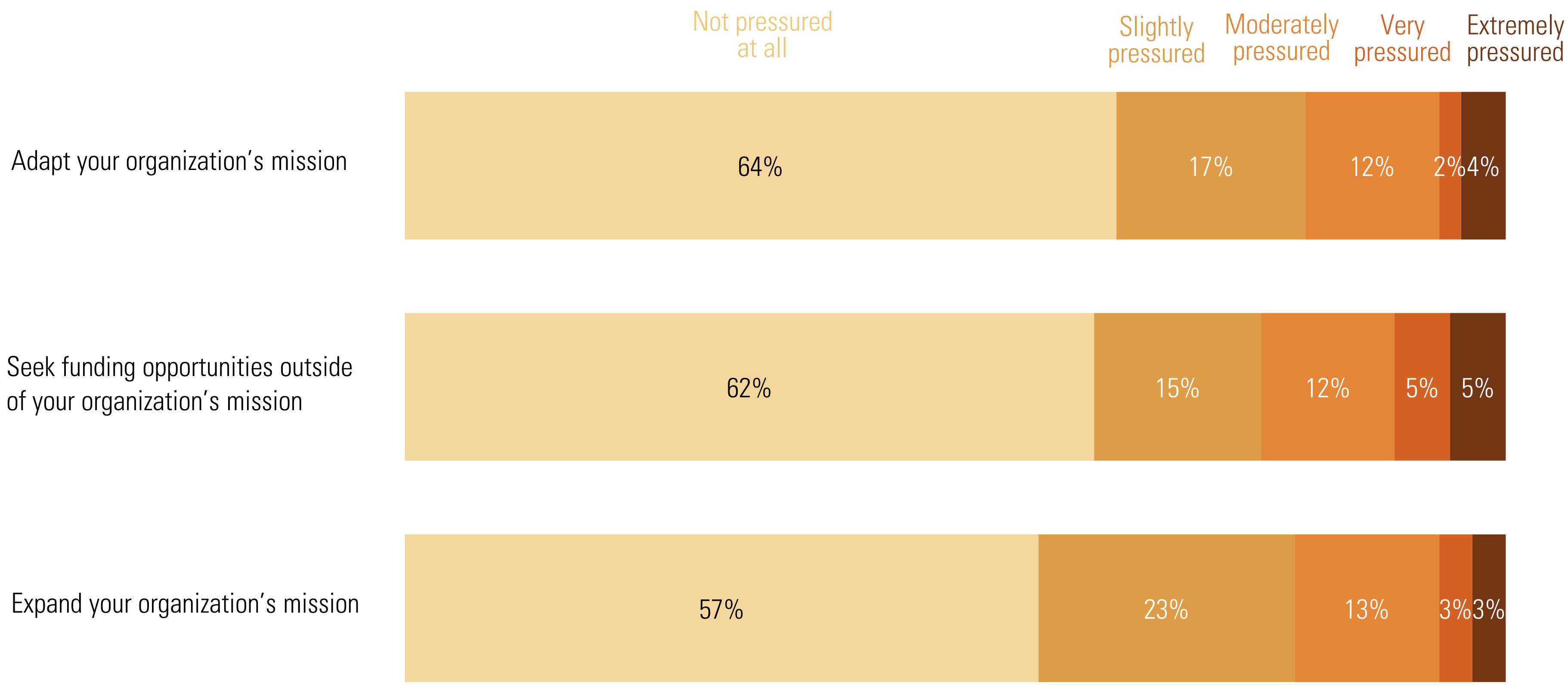
Nonprofit leaders identified funding capacity building (78%), offering unrestricted funding (73%), and maintaining proactive communication (65%) as the most frequently experienced funder practices. In comparison to the 2022/2023 report, there are some noteworthy changes. Most notably, the perception of funders prioritizing BIPOC-serving nonprofits dropped from 70% (2022/2023) to 61% (current), and the percentage of leaders reporting reduced reporting requirements fell from 58% (2022/2023) to 45% (current).

Leaders' perceptions of changes in funder practices *(n_s=77→88)*



When asked about the pressure to change how they operate to secure funding, most nonprofit leaders report they are not feeling pressured to shift their core focus. Overall, the data shows a strong commitment to staying the course; 64% of respondents feel no pressure at all to adapt their mission, and 62% report no pressure to chase funding opportunities that fall outside their organization's primary purpose. While the majority remain steady, expanding the organization's mission is the area where leaders feel the most weight—while 57% feel no pressure at all, 43% report feeling some level of pressure to grow beyond their original scope to meet funding requirements.

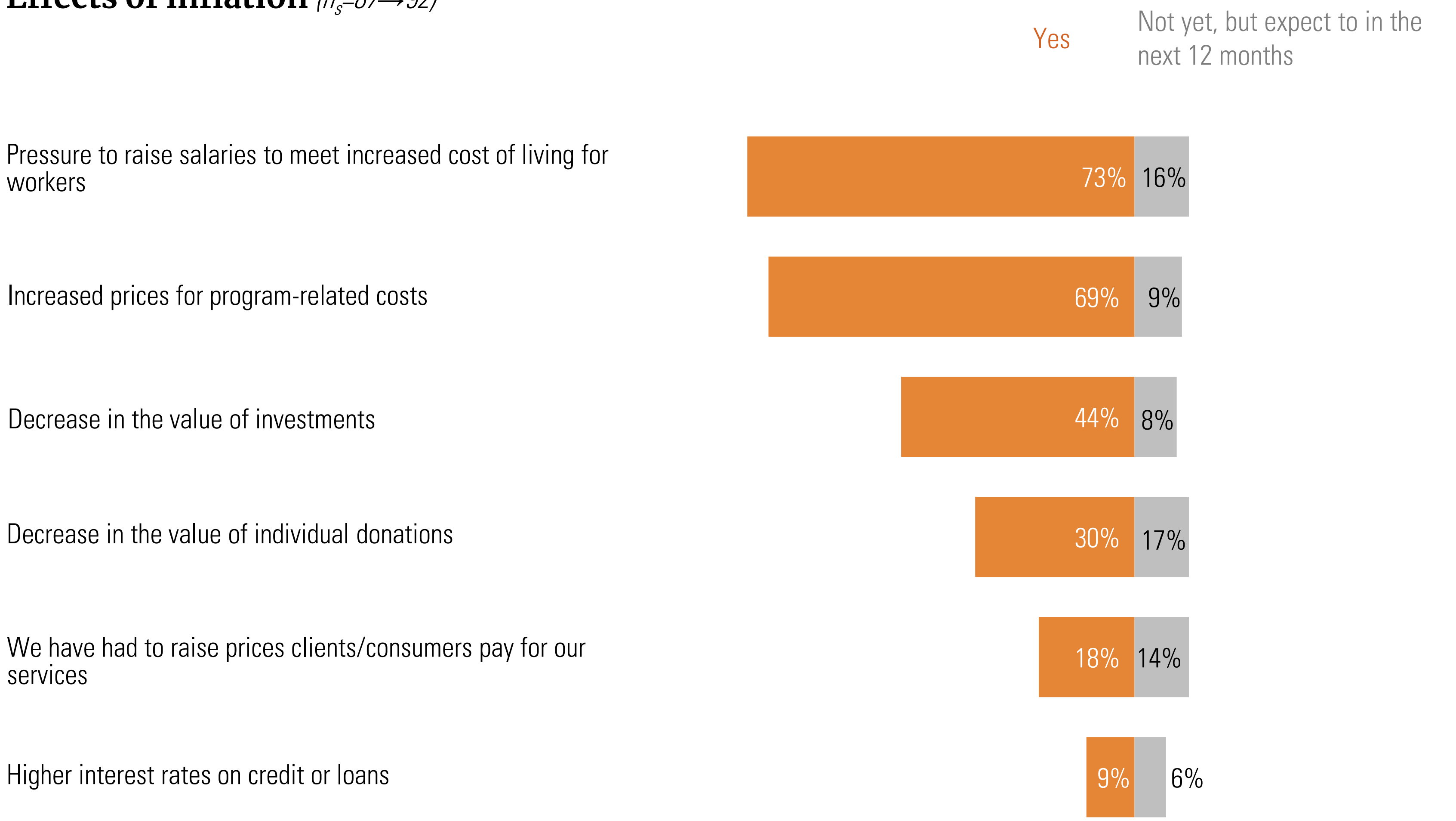
Organizational pressure to seek actions for funding *(n_s=92→94)*



In the current survey, nonprofit leaders report feeling the effects of inflation, particularly regarding their workforce and operations. The most widespread effects reported are the pressure to raise salaries (73%) and increased prices for program-related costs (69%), while 44% of organizations have seen a decrease in the value of their investments. Despite these pressures, organizations are largely shielding their communities from the impact, with only 18% reporting they have had to raise prices for clients or consumers.

When compared to the 2022/2023 report, some changes emerge, most notably with the percentage of organizations experiencing increased prices for program-related costs dropping from 81% to 69%. Although the immediate pressure to raise salaries saw a minor dip from 79% to 73%, there is a significant increase in leaders who now expect this to become a challenge in the coming year, rising from 8% to 16%.

Effects of inflation *(n_s=87→92)*



Nonprofit revenue sources

Overall, Santa Barbara County nonprofits heavily depend on contributions (e.g., individual donations, government grants, and foundation and corporate grants), making up 50% of their revenue, followed by program revenue at 44%, which includes fees for services such as ticket sales and medical fees. Investment and asset sales, as well as all other revenue, make up smaller portions of their revenue at 4% and 3%, respectively.

When compared to other selected California counties, Santa Barbara County shows a lower percentage of revenue from contributions, balancing this with a higher percentage of revenue from program-based sources.

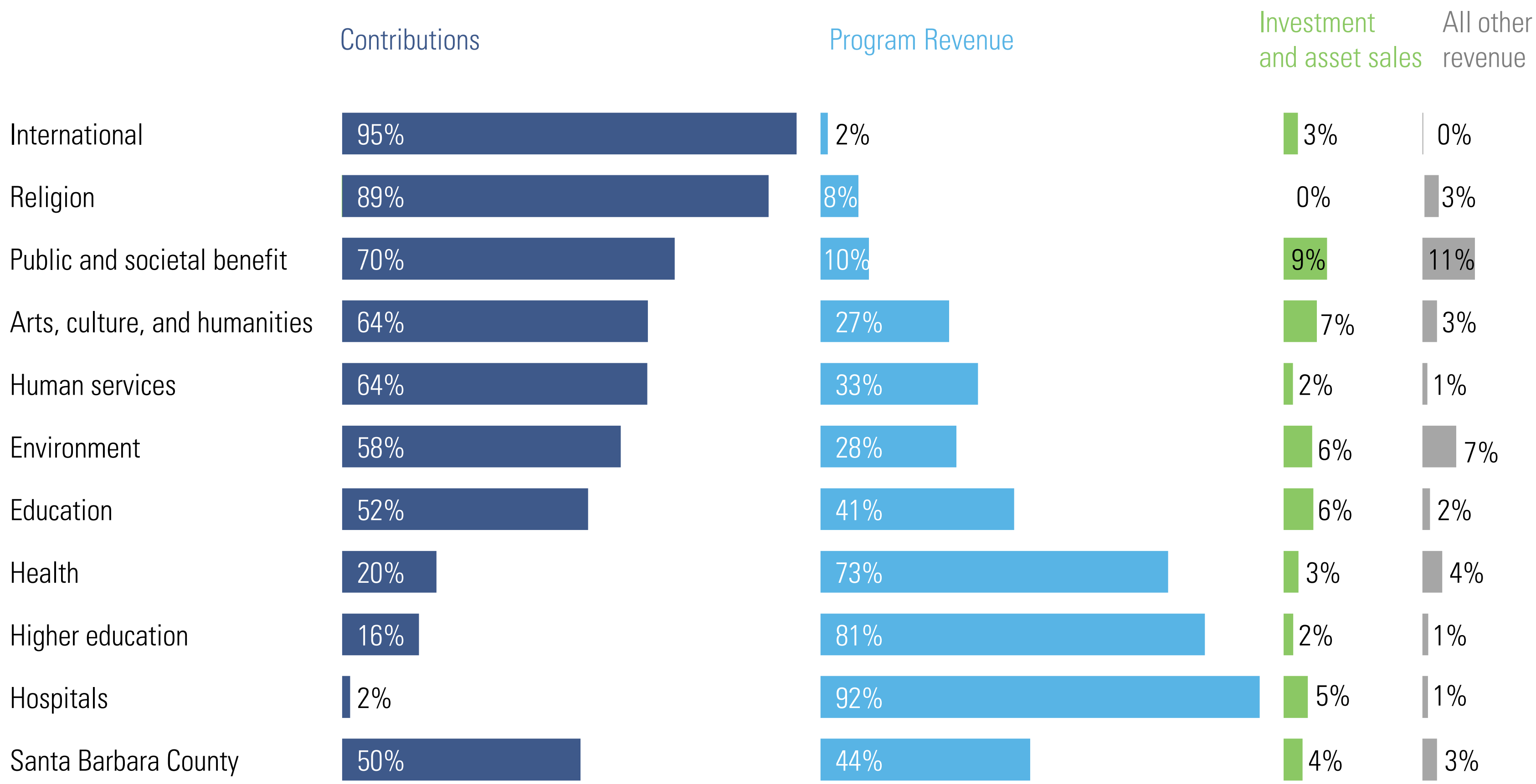
Revenue by primary source, select California counties, Form 990/EZ in FY2023[8]

Region	Contributions	Program revenue	Investment and asset sales	All other revenue
Monterey	51%	39%	8%	2%
Sonoma	61%	32%	2%	5%
Marin	54%	42%	3%	1%
Santa Barbara	50%	44%	4%	3%
California	36%	60%	2%	1%
United States	42%	51%	5%	2%

[8] Excludes Direct Relief, hospitals, and higher education, though it may include organizations directly related to the higher education systems, such as UC foundations and alumni associations.

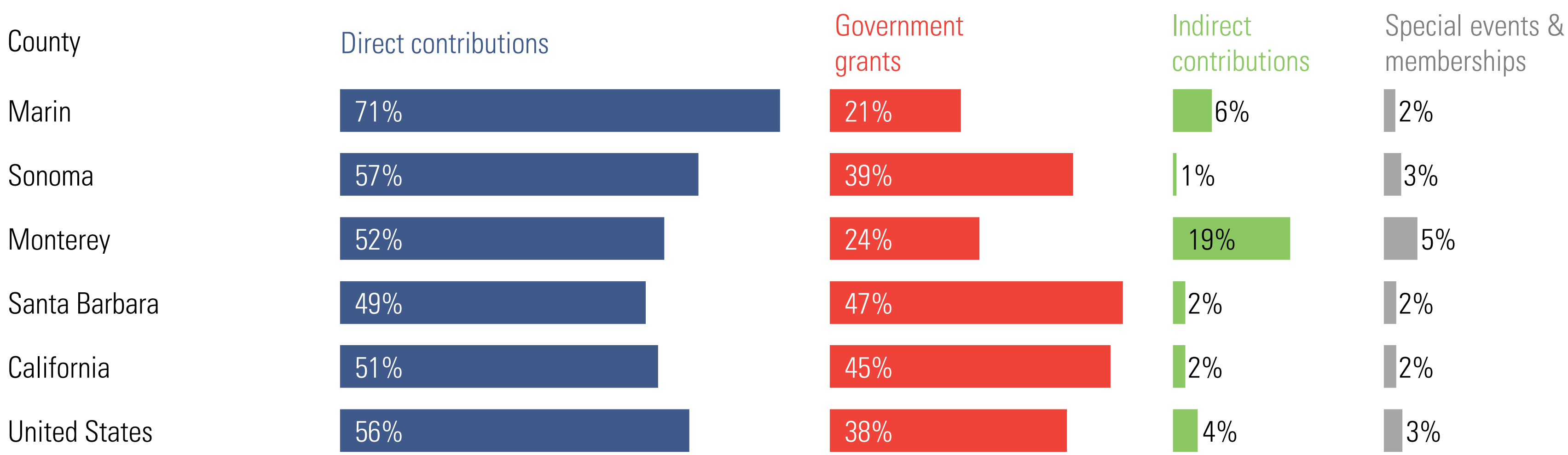
The revenue sources of different subsectors vary considerably. For instance, hospitals and higher education organizations rely heavily on program service revenue, whereas International and Religious organizations rely mostly on contributions.

Revenues by primary source of nonprofits, Form 990/990EZ, in FY2023



In 2023, contributed revenue accounted for 50% of total revenue for nonprofits in Santa Barbara County. Of these contributions, direct contributions made up a pluarlity (49%) of contributions with government grants accounting for an additional 47%. Compared to other select counties, California State, and the United States, Santa Barbara County relies more on government grants and less on direct contributions.

Revenues by primary source of nonprofits, Form 990/990EZ, in FY2023



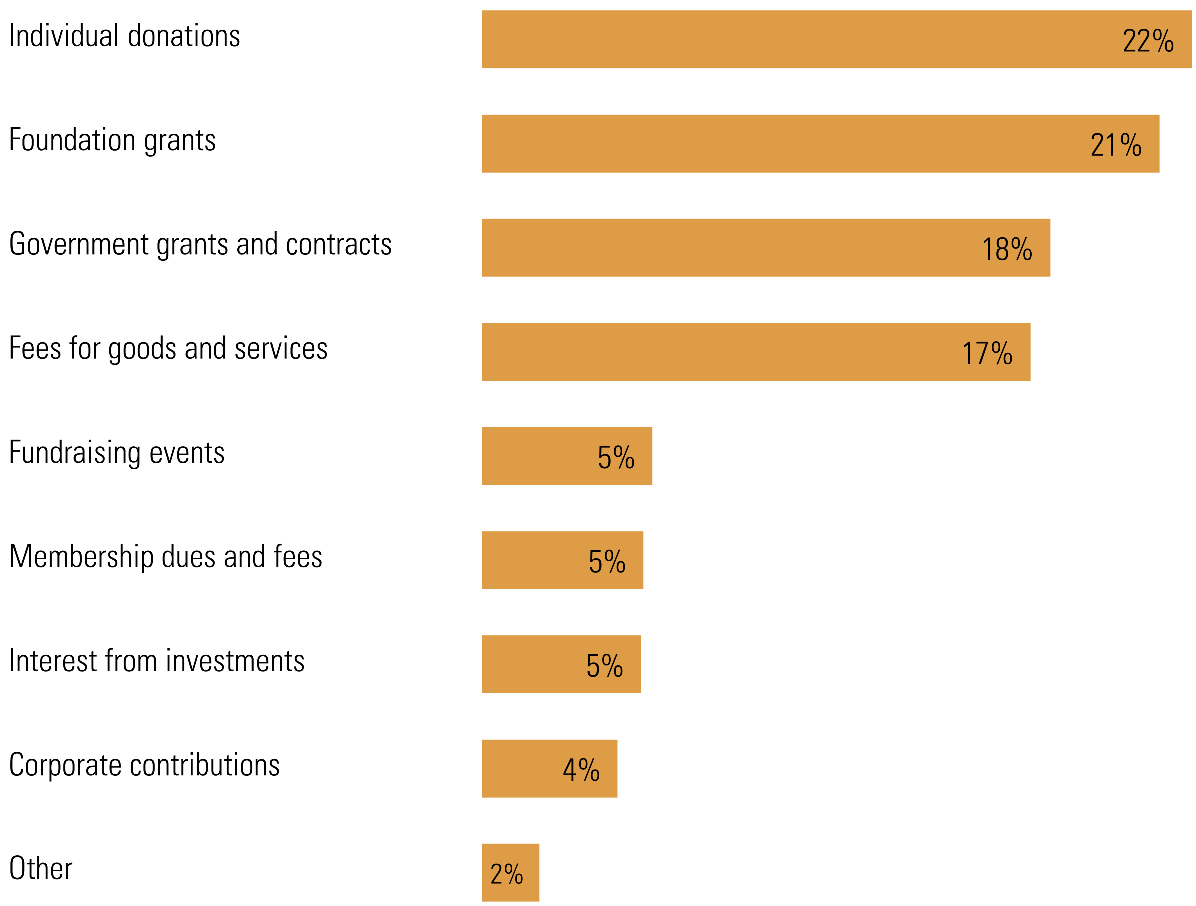
Nonprofit leaders report a relatively balanced funding mix, with individual donations (22%) and foundation grants (21%) serving as the primary drivers of revenue. Government grants and contracts (18%) and fees for goods and services (17%) also represent significant portions of the local sector's financial base. Smaller contributions come from fundraising events, membership dues, and investment interest, each accounting for roughly 5% of total revenue. Notably, the distribution of government funding reported by survey respondents closely mirrors broader government grant allocations across Santa Barbara County. This alignment strengthens confidence in the validity of the sample, particularly for analyses related to funding shifts and potential funding losses.

This report, consistent with the 2022/2023 State of Nonprofits in Santa Barbara County, found a discrepancy between leader-reported revenue estimates and 2023 IRS data.

Program revenue from fees for goods and services is estimated at 17% by respondents, compared to 44% in IRS data. The survey sample also differs somewhat from the broader nonprofit sector reflected in IRS 990 data, with slight overrepresentation of human services, arts, and environmental organizations and underrepresentation of religious organizations.

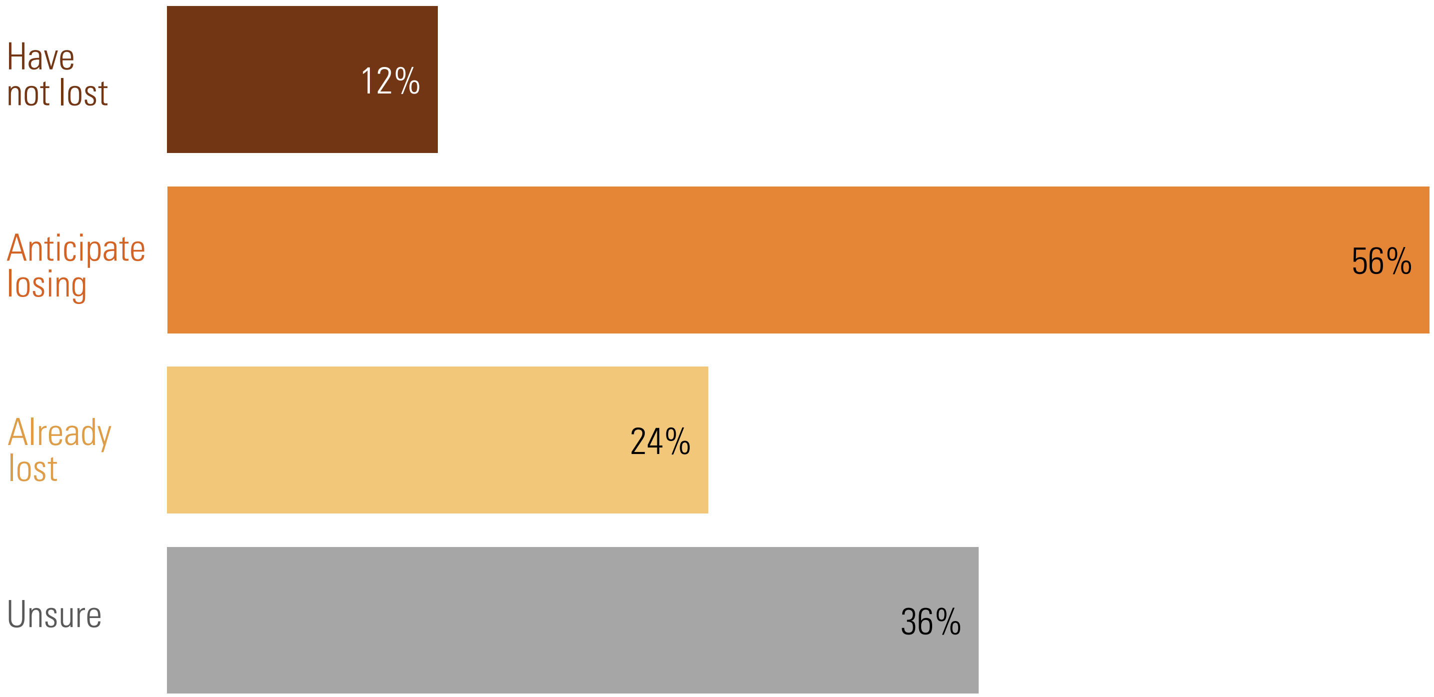
These differences may influence reported revenue patterns. The discrepancy likely reflects both sample composition and differences in how respondents interpret revenue categories compared to IRS reporting definitions.

Nonprofit revenue from various sources *(n=87)*



For organizations that rely on government support, the future of federal funding is a major concern. Among the leaders who received federal funding, a significant majority are bracing for a reduction in support; 56% stated they anticipate losing federal funding in the future, while 24% report they have already lost it. With only 12% stating they have not lost funding and 36% still unsure of what to expect, these findings point to a period of high uncertainty for nonprofits that depend on federal sources to fuel their programs.

Loss of federal funding *(n=40)*[9]



[9] Note. Percentages may total greater than 100% as respondents were able to select all that applied.

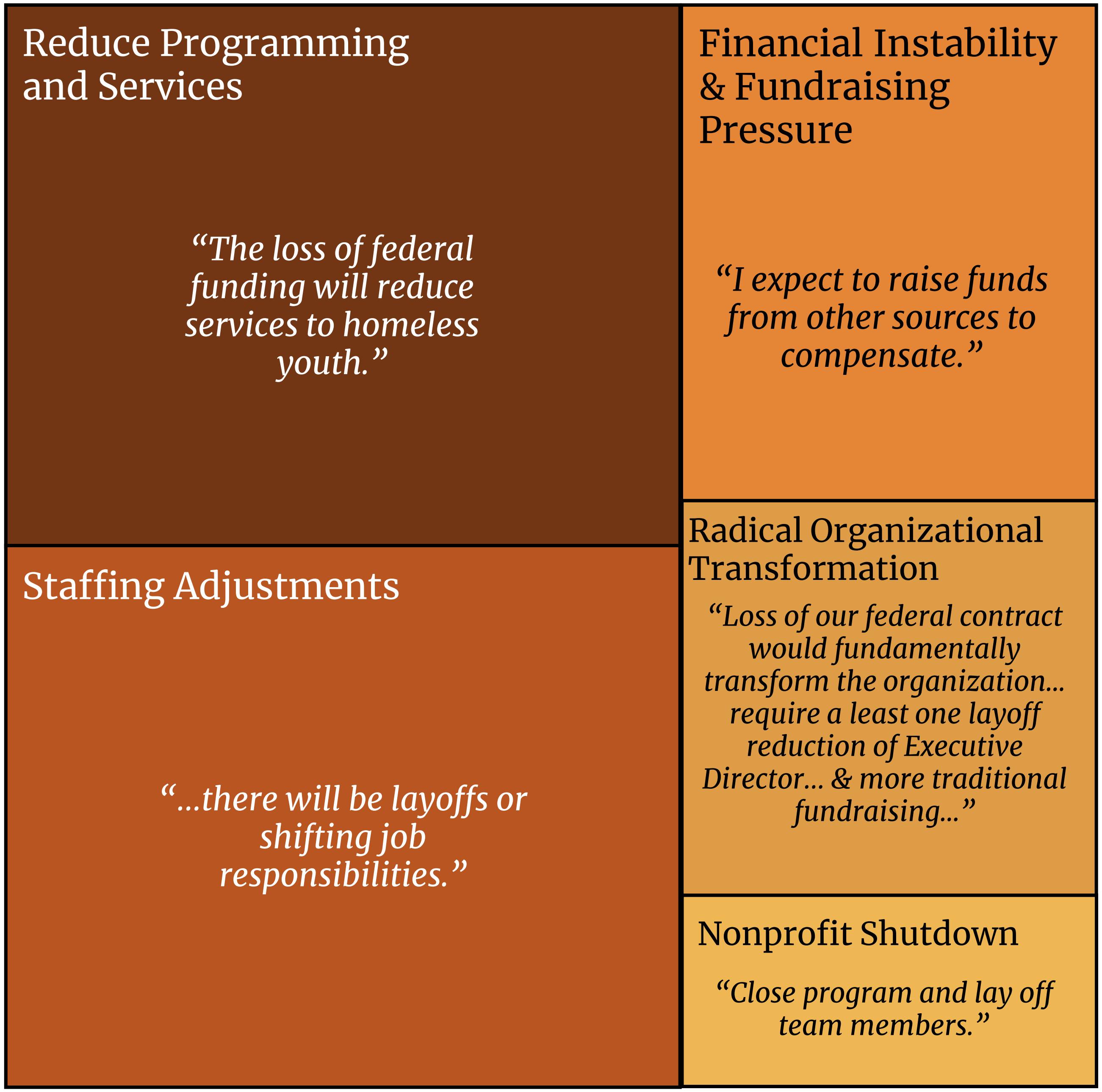
When asked to predict the impact of losing federal funding, nonprofit leaders expressed deep concern about the potential for significant organizational disruption.

For many, the primary consequence would be a direct reduction in programming and services, such as critical aid to homeless youth, alongside necessary staffing adjustments like layoffs or shifts in job responsibilities.

Beyond operational cuts, leaders anticipate a rise in financial instability and fundraising pressure as they scramble to find alternative revenue sources to compensate for the loss.

For some, the impact would lead to a radical organizational transformation, potentially requiring executive-level layoffs and a complete shift in their business model, while the most vulnerable organizations face the ultimate risk of a total nonprofit shutdown.

Anticipated impact of losing federal funding (Leaders) *(n=21)*



Size reflects frequency of responses

When describing their relationships with funders, nonprofit leaders shared experiences that range from deeply integrated partnerships to more minimal connections. The most prominent theme was one of positive, strong support, with many leaders highlighting collaborative partnerships where funders act as true champions for the mission. While some organizations are in a phase of evolutionary growth as they establish new ties, others experience limited engagement or challenging dynamics, often due to a lack of internal staff capacity.

Relationships with funders (Leaders) *(n=84)*

Lack of capacity or challenging aspects to funder relationships

"Weak. We are understaffed and have no development person."

Emphasis on working together

"We're grateful for opportunities to build relationships with funders as we've grown."

Relationships in early stages

"In the early stages of establishing ourselves with funders."

Funder relationships are good/solid

"Our funders are very generous and supportive."

Some are positive, some challenging

"Healthy but they seem to expect a lot for granting very little."

Minimal/limited funder engagements

"Our funders are committed to the work and believe in us. We communicate through written material, but do not have the opportunity to intimately get to know our funders."

Size reflects frequency of responses

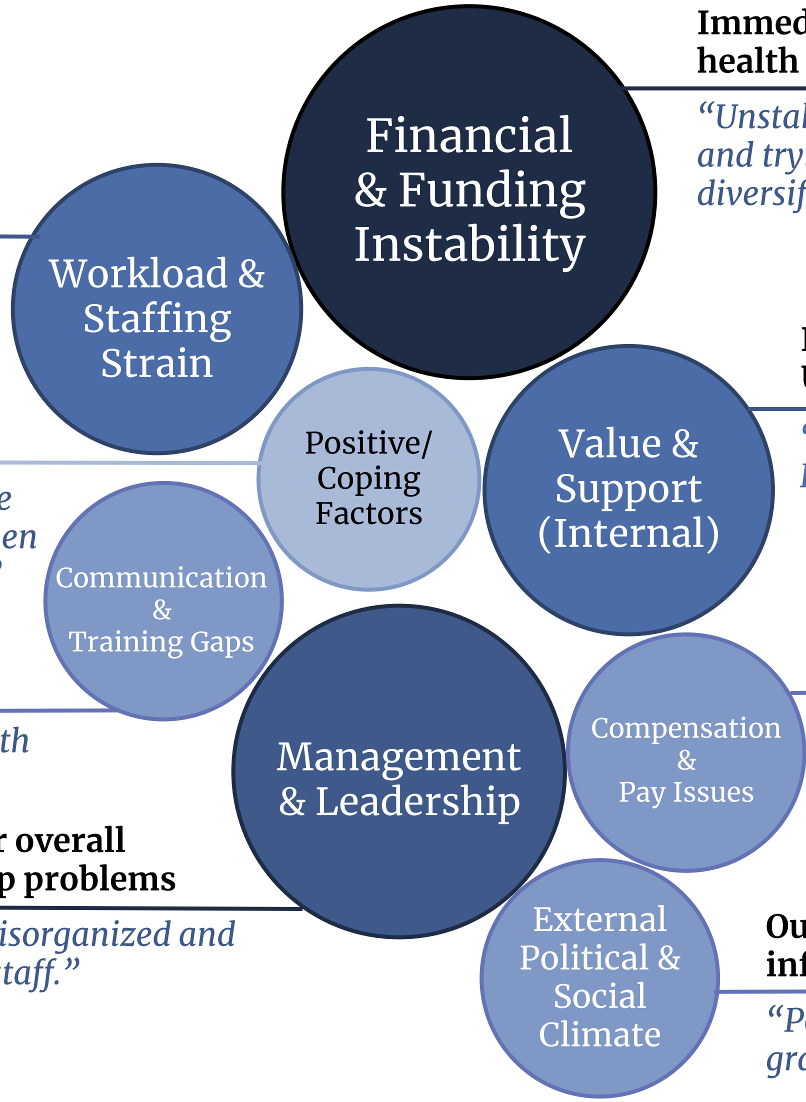
Organizational Culture and Capacity

Nonprofits in Santa Barbara County have identified specific priorities for organizational growth, with strategic planning, communication, and cross-sector collaboration emerging as primary capacity-building needs. This section explores self-reported confidence in conducting evaluation activities and examines various facets of organizational learning as reported by both leaders and workforce members. Additionally, these findings share workforce perspectives on organizational culture and the internal environment, identifying the most critical factors that staff members characterize as impacting their daily work.

Santa Barbara City College nursing students supervised by physicians from American Indian Health Services (Photo: Veronica Slavin)

When workforce members were asked to identify the most critical factors impacting their work, several core themes emerged that characterize the current professional environment. The most frequently cited concerns centered on financial and funding instability, alongside management and leadership deficits that impact daily operations. These issues are further compounded by workload and staffing strain, which many reported as a primary driver of burnout. Additionally, themes regarding compensation and a perceived lack of internal value and support highlight specific areas where morale and retention are most at risk, providing a clear roadmap for prioritizing organizational improvements.

Critical factors impacting work from workforce *(n=67)*



Immediate and long-term financial health of the organization

"Unstable federal funding (and regulation) and trying to figure out a sustainable, more diversified funding model going forward."

Insufficient human resources to meet demands

"Having tons of work and not enough personnel to assist. Feeling burnout."

Feeling Undervalued and Unsupported

"I don't feel valued any more or like I'm part of a team."

Currently beneficial factors or coping mechanisms

"My direct supervisors... appreciate the work I do, allow autonomy when I need it and are there to support."

Impact of inadequate or non-competitive salary

"The amount I am paid impacts whether I can continue my work for this organization."

Clarity, frequency, and quality of communication

"Insufficient communication with my manager and colleagues."

Immediate supervisor or overall organizational leadership problems

"Leadership is extremely disorganized and lack communication with staff."

Outside factors that directly influence operations or clients

"Political climate, Medicaid cuts, grant funding."

Size reflects frequency of responses

Workforce members were asked to describe their organizational work environment, revealing a landscape defined by both mission-driven commitment and significant operational strain. While many responses highlight a culture of support and collaboration, others point to challenges involving compensation, high workloads, and resource scarcity. The following themes provide a lens into the balance between the sector's altruistic goals and the pressures impacting staff well-being.

Organizational work environment as reported by workforce *(n=69)*

Positive/Supportive Culture	Positive, friendly, healthy, or comfortable atmospheres, that include trust, professional respect, support from leadership.	*"Our President & CEO promotes a healthy work life balance for employees. We have a very positive, drama free work environment where employees feel valued and appreciated."*
Collaboration & Connection	Teamwork, communication, and connectivity, and a mission-driven focus to issues of being siloed or disjointed.	*"The organization is extremely siloed. It experienced a rapid growth period and leadership is having trouble adjusting to this. Cross functional collaboration isn't intentional or strategic from the top down."*
Compensation & Resource Issues	High workloads, feeling undervalued, low pay relative to the cost of living (HCOL), or being under-resourced despite a strong passion for the organization's mission.	*"I sense/and have heard that in some there is quite a bit of bitterness about the amount of valuable work they do and feeling like they are 'paid in passion.'"*
Negative/Toxic Environment	Environments characterized by negativity, tension, disjointedness, toxicity, lack of professionalism, personal conflicts, or high stress.	*"Big, busy and hard - the amount of vicarious trauma our staff are experiencing in working with clients facing chronic homelessness, severe mental illness, severe substance use has grown significantly in the last 5 years."*

Size reflects frequency of responses

Responses from nonprofit workforce members regarding their overall experience in the sector reveal a striking consistency with previous data, highlighting reoccurring challenges alongside strong personal rewards across respondents. The resulting themes are highly consistent with previous data, highlighting entrenched sector-wide challenges and deep personal rewards.

Overall workforce experience sentiments *(n=35)*

The Central Tension: Mission vs. Money

The most dominant finding is the conflict between intrinsic motivation and financial reality, contributing to retention challenges over time.

Financial Strain and Talent Loss

A commonly cited issue is low compensation, which prevents the nonprofit sector from competing with for-profit wages. This financial limitation is directly tied to the high local cost of living and housing.

"I want to continue this work very badly and am frustrated that it is so difficult to do so financially. I hate seeing passionate people forced out of their roles for the same reason."

Organizational Culture & Operational Risk

Internal organizational health appears to influence retention, with respondents reporting highly polarized experiences.

Barriers to Retention

A subset of responses (the majority who are from the same subsector) identified significant concerns regarding organizational culture and leadership. These participants discussed strained environments and governance issues that directly impact workforce sustainability, resulting in frequent staff turnover and burnout.

"I have worked for several nonprofits, and...have dealt with multiple difficult bosses, and a few very challenging board members during this time."

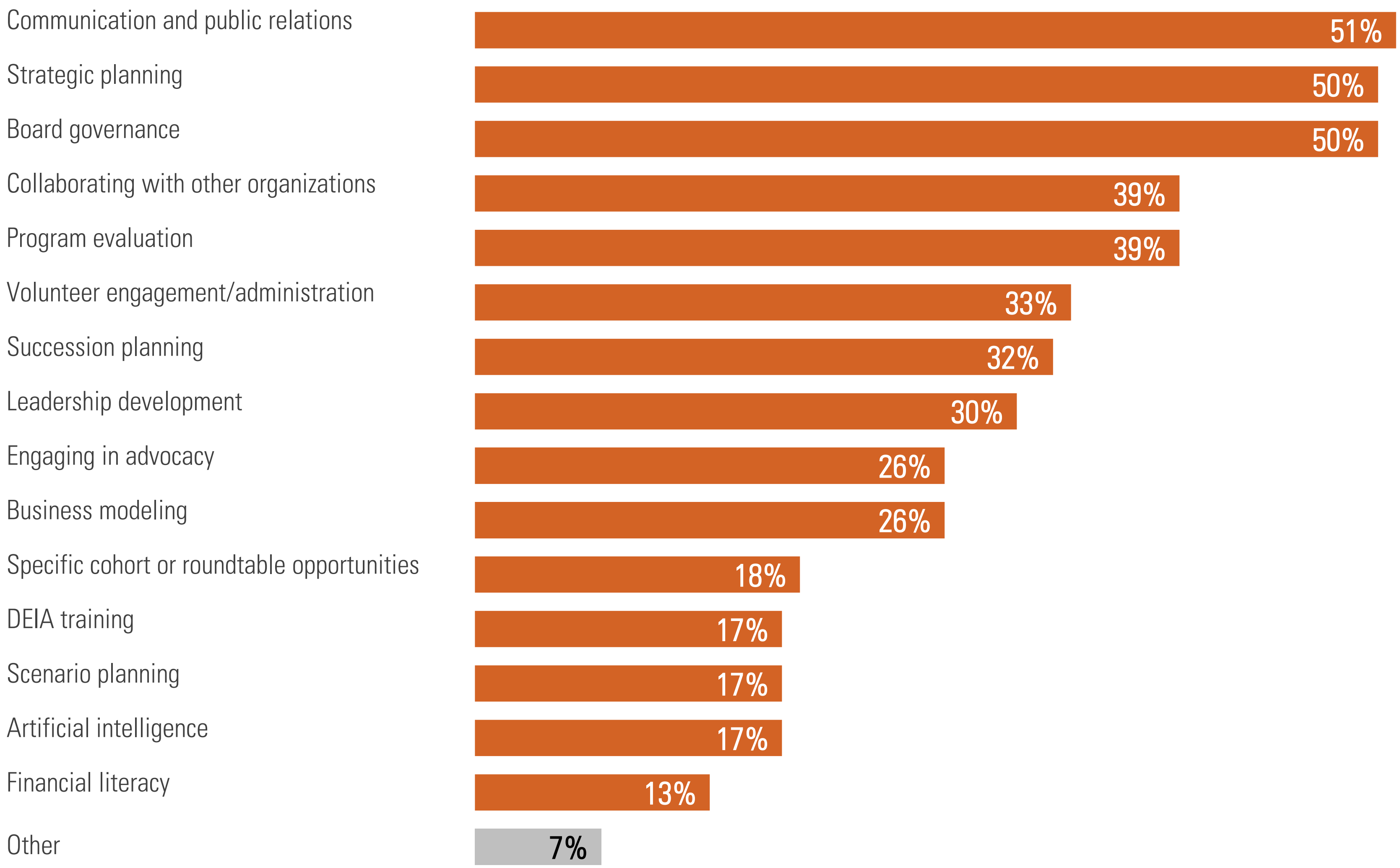
The Power of Purpose

Alongside these challenges, the workforce is sustained by a powerful sense of mission, value, and fulfillment. Employees find their work meaningful, purposeful, and rewarding "beyond a paycheck," seeing it as an honor to contribute to the community.

"I love working in the non-profit sector. I feel like my work has value to the community and it gives me a sense of purpose."

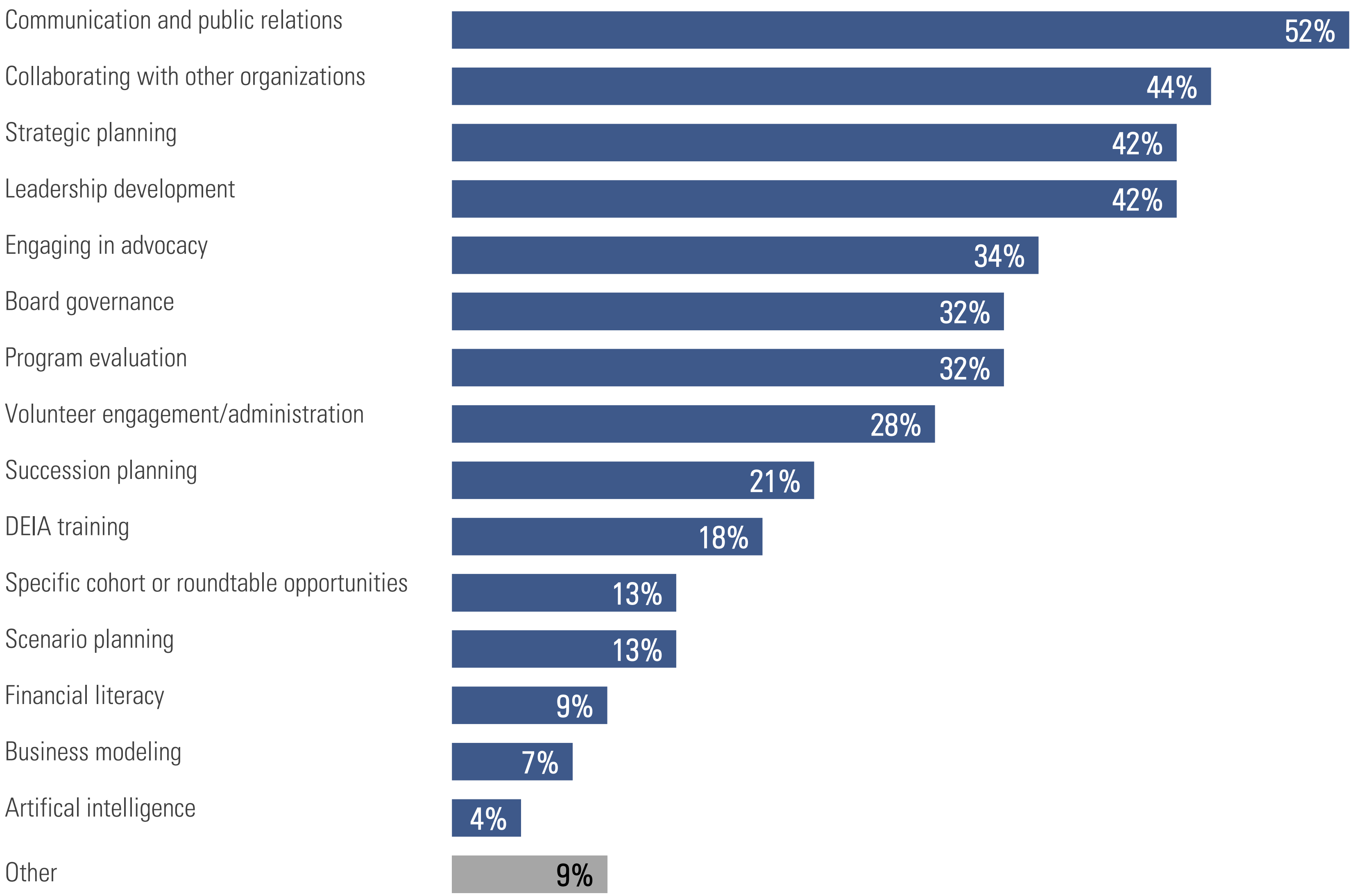
Strengthening communication and public relations (51%), strategic planning (50%), and board governance (50%) represent the most significant areas of focus as reported by nonprofit leaders. As the technological landscape shifts, artificial intelligence (17%) has also surfaced as an area of organizational capacity that is gaining attention. While many of the needs have remained consistent, some areas saw a decrease. For instance, DEIA training saw a substantial decrease from 43% (2022/2023) to 17% (current), and leadership development from 48% (2022/2023) to 30% (current).

Organizational capacity needs as reported by leaders *(n=90)*



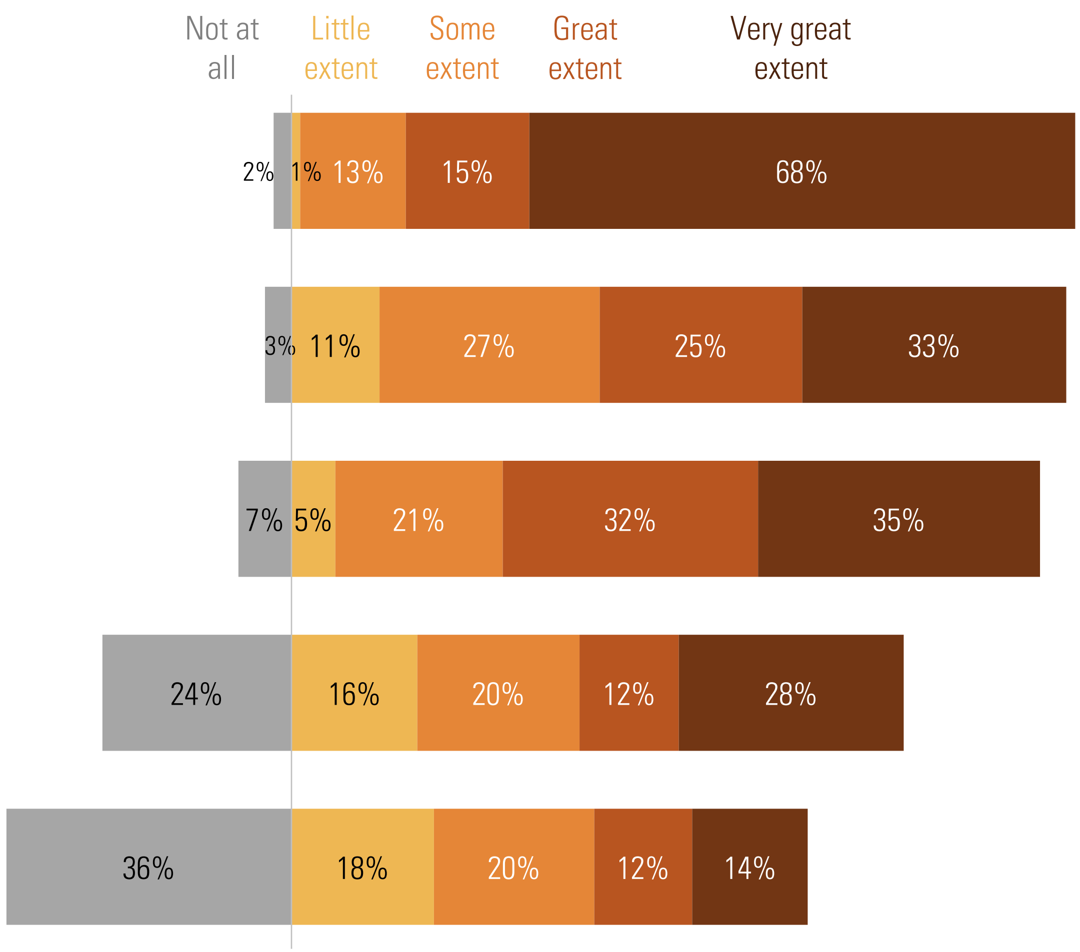
When workforce members were asked to select the top organizational capacity needs for their organization, they mainly reflected sentiments similar to the needs identified by leaders, with some notable differences. While both groups align on the importance of communication and public relations (52% for workforce, 51% for leaders), workforce members selected collaborating with other organizations (44% vs. 39% for leaders) and engaging in advocacy (34% vs. 26% for leaders) more often.

Organizational capacity needs as reported by workforce members *(n=71)*



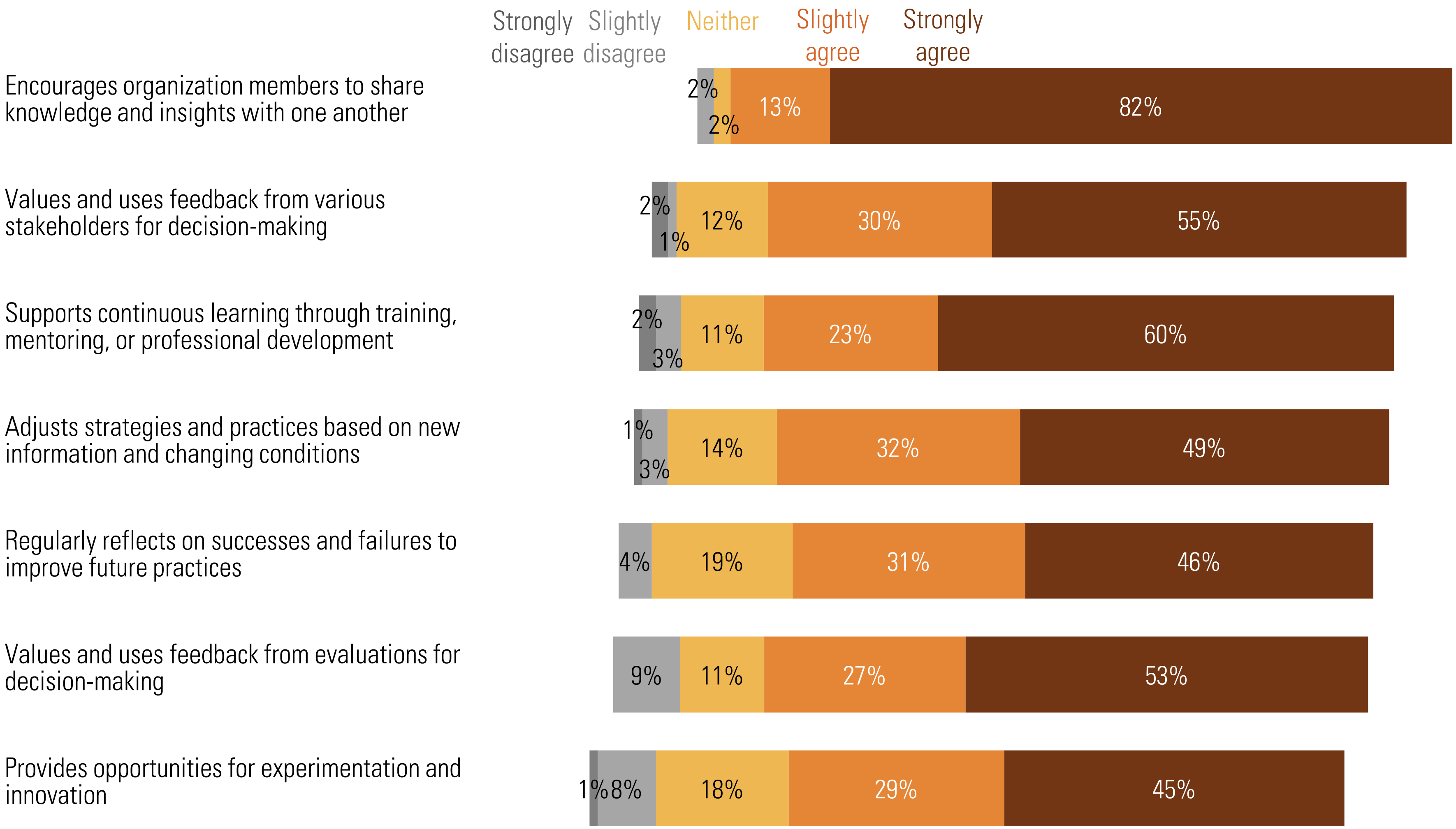
Building on the assessment of organizational capacity, leaders shared their perspectives on their confidence in executing various evaluation activities. Respondents reported the greatest confidence in their organization's ability to track program outputs, accurately measure program outcomes, and use evaluation findings for decision-making. While these results are largely consistent with the 2022/2023 report regarding which activities leaders feel most equipped to conduct, the current survey reveals a pattern of heightened confidence across nearly all categories. The only area to see a decline in confidence was seeking out external consultants or organizations.

Confidence in ability to conduct evaluation activities *(n_s=89→91)*



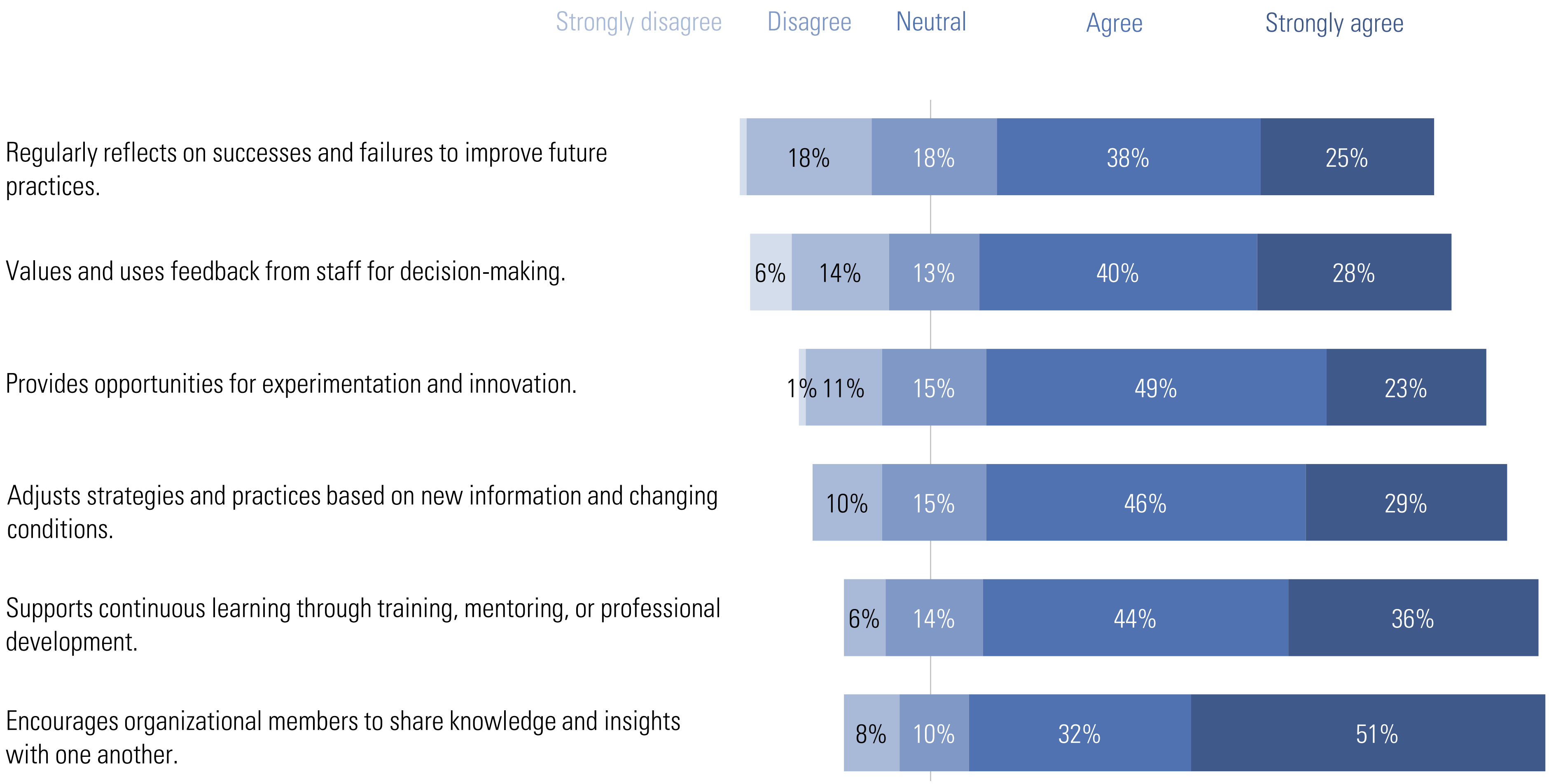
Ratings on various facets of organizational learning suggest a strong cultural emphasis on collaboration and development, particularly regarding knowledge sharing and continuous learning. While leaders generally agree that their organizations value feedback and adjust strategies based on new information, there is comparatively less consensus regarding the frequency of formal reflection and the availability of opportunities for experimentation and innovation.

Organizational culture: Learning and innovation *(n_s=90→91)*



Workforce members reported generally positive levels of agreement regarding organizational learning facets, with the strongest consensus around knowledge sharing and continuous learning. However, a comparison with leadership data reveals a notable perception gap, as leaders reported "strongly agree" at significantly higher rates across every category. This disparity is most pronounced regarding knowledge sharing (82% for leaders vs. 51% for staff) and supporting continuous learning (60% for leaders vs. 36% for staff), suggesting that while leadership may prioritize these cultural values, the frontline workforce experience varies. While it's important to note that workforce members do not represent a direct one-to-one comparison to organizations represented by leader responses, the trend indicates a disconnect in how these cultural facets are felt from different perspectives across the sector.

Organizational culture: Workforce perspectives *(n_S=72→73)*



Beyond specific capacity metrics, workforce members identified several pressing needs facing their organizations centered primarily on financial stability and employee well-being. From these responses, emergent themes begin with the primary concern of financial resources & sustainability, followed by compensation, benefits, & cost of living. Additional priorities include organizational culture and internal operations, specifically regarding leadership transparency and internal communication, and finally, the pressing challenges of staffing, retention, and capacity.

Pressing needs reported by workforce *(n=69)*

Financial Resources & Sustainability

Need for increased and diversified funding, improving fundraising, building endowments, and concerns over financial stability and external policy changes.

"...low wages and coupled with high cost of living, as well as issues with supervisors. I have noticed quite a bit of turnover in my time here. ...the recent federal cuts to funding has [added] additional pressure."

Compensation, Benefits & Cost of Living

Low, uncompetitive pay for staff, the difficulty of affording the local cost of living and housing, pay disparities, and need for better benefits.

"Pay scales across the organization appear unbalanced... I have coworkers who are stuck in unpleasant rental situations, others who commute over an hour each way, and some who live in their cars"

Organizational Culture & Internal Operations

Changes to organizational culture, management/leadership transparency, and needs such as training, facilities, and board/volunteer engagement.

"...employees [are required] to push past their contracted hours while compensating with poverty wages and insulting salaries for this city."

Staffing, Retention, & Capacity

Understaffing, high rates of turnover, retention issues, need for more staff, burnout, and the need for qualified personnel to meet service demand.

"Many folks are on the brink of burnout and are certainly feeling like they aren't adequately compensated for doing multiple jobs."

Size reflects frequency of responses

Adaptations & Innovations

Nonprofit leaders in Santa Barbara County continue to modify organizational practices in response to shifting community needs. This section explores how organizations have utilized collaboration, adaptation, and innovation to improve service delivery, including the formation of new partnerships, shifts in programming, and adjustments to staffing models and technology. These findings highlight specific examples shared by leaders through the survey, illustrating the creative strategies employed to better serve their communities.

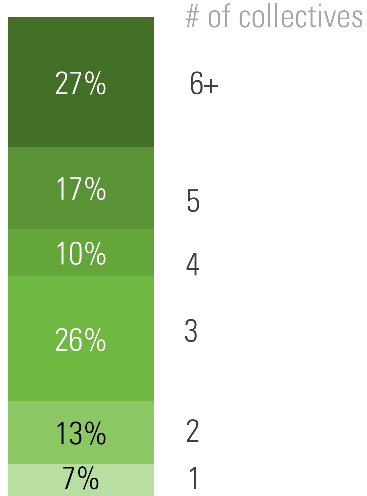
American GI Forum (Photo: Veronica Slavin)

Nonprofit stories of innovation, strategies, and partnerships

80% Of leaders said that their nonprofit participated in a network, coalition, or collective impact initiative.

Collaboration remains a cornerstone of local leadership, with most executives deeply embedded in the county's network of coalitions and collective impact initiatives. Current data shows high engagement, with the majority of respondents participating in either three (26%) or six or more (27%) groups. These results mirror findings from the 2022/2023 report, indicating a sustained commitment to partnership as a primary strategy for addressing community needs.

Collectives with which nonprofits are engaged *(n=70)*



Nonprofit leaders described how they are adapting and innovating in response to ongoing challenges, with collaboration emerging as a consistent and central strategy. Many emphasized strengthening partnerships with other nonprofits, schools, healthcare providers, and public agencies to extend their reach and make more effective use of limited resources. Rather than working independently, organizations are aligning efforts, sharing capacity, and co-creating solutions that better reflect community needs, often with a strong focus on accessibility and inclusion. This shift reflects a broader move toward a **collaborative multiplier** model, with some organizations reporting up to fourfold increases in reach and greater resilience through shared fundraising and resource pooling. At the same time, these efforts are taking shape within a context of real financial constraint, where rising costs and limited funding are driving organizations to be more strategic, creative, and responsive in how they deliver their work. These perspectives are reflected in the following responses:

"Public event participation has been significantly raised by partnering with local non-profits that share [a] mission."

"We collaborate with at least 100 local organizations and businesses."

"Collaboration is at our core... we've experienced such an exciting readiness to work together to fill each other's gaps and augment each other's opportunities."

Direct responses from leadership regarding relationships with other local nonprofits reveal a culture rooted in partnership and mutual respect. While connections are often described as “collegial” and “trusting,” the depth of these ties ranges from general community standing to mission-specific alliances. However, a tension exists between the desire for deeper strategic collaboration and the practical realities of limited capacity and a competitive funding landscape. Ultimately, the sector views itself as “stronger together,” yet often lacks the time and “follow-through” required to move from friendly coexistence to active execution.

Description of relationships with other nonprofits as reported by leaders *(n=84)*

High Sentiment / Positive Standing	Strong, healthy, or “excellent” reputations and relationships.	*“Strong, trusting, credible”*
Active Collaboration & Partnership	Working together, shared missions, and the belief that “many hands make light work.”	*“We recognize that one organization can’t do it alone.”*
Geographic or Sector Specificity	Strong relationships in a specific field or town.	*“Strong, especially in our sub-field.”*
Developing & Growing	Organizations in the early stages of building a presence or seeking more “follow-through.”	*“We’re still very much in the relationship-developing stages.”*
Competition & Isolation	Challenges of a competitive funding landscape or a lack of connection.	*“There is a growing sense of competition for funding.”*
Capacity & Execution Barriers	Limited staff, time, or resources that hinder the ability to maintain or grow relationships.	*“Barriers in being able to foster and catalyze these relationships properly without a staff team.”*

Size reflects frequency of responses

Santa Barbara Foundation Recommendations

The Santa Barbara Foundation's recommendations below are informed by the findings from the current State of Nonprofits research, as well as trends observed over six years and three report cycles. This longitudinal perspective allows us to speak with confidence about emerging trends, areas of progress, and opportunities for continued improvement. The following recommendations are intended to empower decision-makers across sectors. They focus on how we can collectively support the nonprofit sector, strengthen organizational health and effectiveness, and better serve our communities.

Understand and support the true costs of services

Nonprofits across Santa Barbara County are absorbing rising costs rather than passing them on to clients — a choice that, while mission-driven, is quietly depressing wages, stretching staff capacity, and limiting organizations' ability to scale with growing community need.

The data are clear: more than two-thirds of nonprofit leaders report increased prices for program-related costs, and more than 80% identify the local cost of living and housing market as their greatest barrier to staff recruitment and retention. At the same time, workforce members consistently identify workload and staffing strain as a primary driver of burnout, a direct consequence of operating under-resourced in an environment of escalating demand. Addressing this requires action on two fronts.

Organizations should invest in accurately compiling and transparently communicating the full costs of their programming, including staff compensation that reflects Santa Barbara County's cost-of-living reality. When establishing pay ranges and annual increases, best practices for compensation analyses recommend benchmarks include local cost data, to accurately account for what it takes to live and work in this region.

Presenting full-cost budgets to funders is not a risk; it is an opportunity to make the case that sustainable community services require sustainable funding. Similarly, we recommend that funders incorporate budget review processes that account for the true cost of delivering services in a high cost-of-living environment.

Flexible funding mechanisms, including general operating support, help make it more possible for organizations to cover what is commonly their largest expense —personnel— and pay fair wages, stabilize their workforce, and direct their full capacity toward mission. Fair compensation expands the candidate pool, reduces turnover, and ultimately strengthens program effectiveness. Recognizing full costs in grant budgets is not overhead tolerance, it is an investment in the long-term health of the sector.

Santa Barbara Foundation Recommendations

Strengthen the internal infrastructure for volunteer recruitment and management

Volunteers are essential to nonprofit work across Santa Barbara County—88% of organizations rely on them, and more than 70% report that volunteers are absolutely essential or very important to program delivery. More than half of volunteers engage on a long-term basis, reflecting strong community commitment. Yet recruiting and retaining volunteers requires meaningful investments of time, funding, and staff capacity, as well as specialized skills. This includes building a pipeline of prospective Board members who can contribute their expertise to mission fulfillment.

Despite this reliance on volunteers, more than a third of organizations struggle to recruit them, and for nearly three-quarters of those, the shortfall directly impacts service delivery. Smaller organizations, which tend to be most dependent on volunteers, have experienced the steepest declines in volunteer engagement since 2020. Both the private sector and funders have meaningful roles to play. Businesses can partner with nonprofits through civic engagement initiatives, paid volunteer time, and gift-matching programs tied to volunteering. Funders can invest in capacity building that supports volunteer recruitment, training, and Board development.

Continue promising trend of increased investment in Mid- and North County

Santa Barbara County's longstanding geographic and socioeconomic divide means that Mid- and North County residents face greater need with fewer resources and fewer nonprofit organizations serving them. Over the past six years, however, there are encouraging signs of progress including growth in both the number of nonprofits headquartered in these areas, as well as an increase in the number of existing organizations expanding services to serve Mid- and North County. The number of nonprofits headquartered in Mid- and North County grew by 14% between 2020 and 2023, improving the population-to-nonprofit ratio in both regions. Nonprofit revenue per capita also increased—27% in Mid-County and 22% in North County—and Mid-County saw a particularly notable rise in assets per capita (+41%).

Despite this progress, significant disparities remain. South County-headquartered nonprofits continue to hold assets greater than those in other regions and serve notably smaller populations with considerably more nonprofits. The gap between resources and need is substantial and persistent.

We commend the organizations that have already expanded or established services in Mid-, North, (and East!) County, and encourage all decision-makers to continue directing attention and investment toward these underserved areas.

Santa Barbara Foundation Recommendations

Encourage continued innovation and collective impact efforts

Santa Barbara County's nonprofit sector has built a genuine and durable collaboration culture. Eight in ten nonprofit leaders report active participation in a network, coalition, or collective impact initiative, a rate consistent with the prior report, reflecting sustained commitment rather than a passing trend. What's emerging from this foundation is something more than coordination: it is a model of shared problem-solving that produces measurable results.

Nonprofit leaders describe a shift away from isolated service delivery toward what the data characterizes as "collaborative ecosystem multipliers," integrated partnerships that bypass traditional capacity limits to achieve broader community reach. In practice, this has meant multiplier models where organizations train others to deliver programs, expanding the number of people served. It has also meant collective resilience, with networks mounting coordinated fundraising responses to absorb economic shocks in real time.

The barriers to deepening this work are not willingness: they are capacity and funding. Sustaining and scaling this momentum requires deliberate action from all sectors. Nonprofit leaders can actively explore opportunities for efficiencies and expanded reach through partnerships and collaborations with others that have shared areas of focus, complementary services, or constituencies.

We can all help the sector normalize what is working: shared service models, co-delivery arrangements, and joint programming, so that collaborative innovations outlast individual relationships or grant cycles. Funders and cross-sector partners can create space for multisector dialogue that surfaces shared goals and partnership opportunities. They can also dedicate resources specifically to collaborative capacity, including funding for coordination roles, shared infrastructure, and the planning time required to move from idea to execution. Finally, it is essential we recognize collaboration as a fundable activity, not just an outcome. Doing so will allow the sector's strong relational culture to translate into lasting collective impact.

Workforce respondent demographics

Job Title (*n*=70)	%
Admin operations	10.0
Human resources	2.9
Finance accounting	4.3
Fundraising/development	34.3
Licensed or specially certified staff	5.7
Marketing/communications	4.3
Program/direct services	20.0
Data/Evaluation	2.9
Not listed above	15.7

Work locations (*n*=74)	%
Santa Barbara	76%
Santa Maria	22%
Lompoc	18%
Goleta	14%
New Cuyama	11%
Carpinteria	10%
Guadalupe	8%
Montecito	8%
Solvang	8%
Other (please specify)	7%
Santa Ynez	5%
Buellton	4%

Employment Type (*n*=73)	%
Full-time	78.1
Part-time	16.4
Temporary/Contract	1.4
Volunteer	2.7
Other	1.4

Employment Status (*n*=73)	%
Paid Employee	97.3
Not a Paid Employee	2.7

Years Worked in Nonprofit Sector (*n*=73)	%
Less than 1 year	2.7
1-3 years	27.4
4-6 years	20.5
7-10 years	16.4
Over 10 years	32.9

Workforce Member Pay (*n*=61)	
Average Salary	$72,536
Median	$74,000
Range	$0- 160,000

Race/ethnicity (*n*=69)	%
White	68.1%
Hispanic/Latino/a/e/x	13.0%
Two or more races	11.6%
African American/Black	2.9%
Native American	0%
Asian	2.9%
Native Hawaiian/Pacific Islander	0%
I prefer to self describe	1.4%

Identity (*n*=70)	%
I identify as a woman	84.3%
I identify as a man	10.0%
I identify as gender non-binary	4.3%
I have another gender identity	0%
I prefer not to disclose	1.4%

Leader respondent demographics

Job Title (*n*=105)	%
Executive Director/Chief Executive Officer/President	71%
Chief Operating Officer or Administrative Manager	3%
Chief Financial Officer or Finance Director	2%
Management Team Member (e.g., Development Director, Program Director, etc.)	12%
Board Chair	8%
Other	4%

*Additional demographic information such as race and gender identity is not displayed due to a low number of respondents answering those demographic questions.

County Region Classification

North County (Guadalupe | New Cuyama | Orcutt | Santa Maria)
Mid-County (Buellton | Lompoc | Los Alamos | Los Olivos | Santa Ynez | Solvang | Vandenberg SFB)
South County (Carpinteria | Gaviota | Goleta | Isla Vista | Montecito | Santa Barbara | Summerland)

References

U.S. Census Bureau. (2020). *QuickFacts: Santa Barbara County, California*. Retrieved from https://www.census.gov/quickfacts/santabarbaracountycalifornia

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