CALIFORNIA

NONPROFIT-GOVERNMENT CONTRACTS AND GRANTS: OVERVIEW

Human Service Nonprofits with Government Contracts/Grants*
Number ........................................... 3,196

Types of Nonprofits with Government Contracts/Grants
Crime and legal related ......................... .4%
Employment ...................................... 1%
Food, agriculture, and nutrition ............... .2%
Housing and shelter ............................. .37%
Public safety and disaster relief ............... <1%
Youth development .............................. .9%
Human service: multipurpose ................... .40%
Community and economic development ...... 7%
Total contracts/grants .......................... 100%

Nonprofits with Government Contracts/Grants, by Level
Local government ............................. .85%
State government .............................. .81%
Federal government ........................... .66%

2009 Government Contracting Experience Compared to Prior Years
About the same, 64%
Better, 5%
Worse, 31%

Number of Government Contracts/Grants per Nonprofit
1 government contract/grant ................. .19%
2–4 government contracts/grants ............. .46%
5 or more government contracts/grants ...... .34%

Total Nonprofit Government Contracts/Grants, by Level
Local government ............................. .38%
State government .............................. .42%
Federal government ........................... .21%

CONTRACTING PROBLEMS

Key Problems Reported for Government Contracts

<table>
<thead>
<tr>
<th>Problem</th>
<th>Small problem</th>
<th>Big problem</th>
<th>Not a problem</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments do not cover full cost of contracted services</td>
<td>18%</td>
<td>24%</td>
<td>58%</td>
</tr>
<tr>
<td>Complexity/time required for reporting on grants/contracts</td>
<td>24%</td>
<td>34%</td>
<td>41%</td>
</tr>
<tr>
<td>Complexity/time required by application process</td>
<td>25%</td>
<td>39%</td>
<td>36%</td>
</tr>
<tr>
<td>Government changes to contracts/grants</td>
<td>31%</td>
<td>27%</td>
<td>42%</td>
</tr>
<tr>
<td>Late payments (beyond contract specifications)</td>
<td>26%</td>
<td>34%</td>
<td>40%</td>
</tr>
</tbody>
</table>

State Ranking:**
Small and Big Problems
1=highest percentage of nonprofits with problems; 51=lowest percentage of nonprofits with problems
CONTRACTING PROBLEMS (CONT’D)

Nonprofits with Late Payments from Government
California ............................................. 49%
Nationwide ......................................... 41%

Most Common Past Due Period for Contract/Grant Payments, by Level
Local government ...................... 60 days
State government ............. 90 days or more
Federal government ............ 60 days

ACCOUNTABILITY AND REPORTING

Nonprofits That Report Outcomes or Give Feedback to the Government
Report results/outcomes of programs .... 89%
Give feedback on contracting procedures .... 55%

Actions Taken by Human Service Nonprofits in 2009

Freeze or reduce employee salaries
Draw on reserves
Reduce number of employees
Reduce health, retirement or other staff benefits
Borrow funds or increase line(s) of credit
Reduce number of programs or services

California

Nationwide

Notes: Percentages may not sum to 100 because of rounding. Full report available at http://www.urban.org/url.cfm?ID=412159.
*Number is based on a selected group of direct human service providers with budgets greater than $100,000.
**See appendix for more details on state rankings.
***Data not reported or too few respondents answered the question.