

Nonprofit Leadership Roundtable

Quarterly Executive Pulse Check

Q2 (April-June 2026)



California's nonprofit landscape is constantly shifting, and sector data cannot always capture what leaders are experiencing on the ground as it's happening. While national and statewide reports offer valuable long-term trendlines, they don't always surface fast-moving operational challenges or emerging issues felt most acutely by nonprofit service-delivery organizations.

CalNonprofits' Nonprofit Leadership Roundtable is designed to fill that gap:

- **Who:** A diverse cohort of 25 service-delivery nonprofits across regions, focus areas, and organizational/budget sizes.
- **What:** A quick quarterly survey capturing current conditions and trends.
- **Why:** Follow-up roundtable discussions that dive deeper into the survey results to reveal the story behind the numbers.

In short: Our quarterly executive pulse check report uses brief surveys and robust group discussion with 25 nonprofit service leaders to understand both what is happening in the sector and why.

Pulse checks track organization-level conditions, spot emerging challenges, and elevate nonprofit voices in policy conversations with credibility and speed. Across quarters, these insights will capture how challenges and opportunities evolve over time for service providers. It is not a replacement for sector-wide research, nor is it intended to represent statewide trends. Instead, it offers timely context on the sector's day-to-day realities to complement the broader data and trends you already rely on.

THREE KEY ROUNDTABLE PULSES FROM THIS QUARTER:



Pulse 1: Organizations face growing financial instability. 63% anticipate increases in organizational costs and cuts to public funding as the most cited financial concern across roundtable organizations. This signals a shrinking and precarious financial runway to operate.



Pulse 2: Workforce pressures are a defining challenge. 68% report stress and burnout as their most pressing staffing challenge, followed by 58% citing salary and wage competition. 42% noted staffing and workforce changes impacting the delivery of essential services. This underscores a widening workforce gap for frontline providers to meet increasing demand.



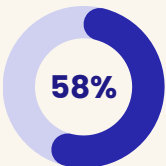
Pulse 3: Organizational mission and community need anchor strategic adaptation. Community needs was the primary driver for strategic decisions this quarter (74%). To meet needs, organizations are actively pivoting, diversifying revenue, expanding collaborations, and adapting operations to sustain demand amid constraints.

THIS QUARTER'S PULSE: WHAT ROUNDTABLE LEADERS ARE REPORTING

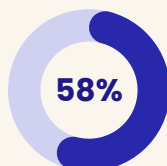
For **Quarter 2** (April–June 2026), **19** of our Roundtable leaders responded to a survey on their organizational, financial, staffing, and service-delivery conditions. **13** attended our Roundtable discussion. Below, is a snapshot of the current conditions these service-delivery organizations are facing.



Service Delivery and Demand



Report a clear rise in demand, prompting real-time adjustments to programs, staffing, and partnerships.

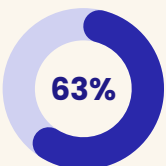


Cite funding changes as the top factor influencing service delivery, followed by 42% noting staffing and workforce changes.

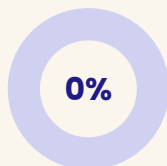
ROUNDTABLE INSIGHT: As organizations stretch to meet rising community needs, they note less capacity to advocate for the very supports and resources that are most urgently required.



Financial Health and Pressures



Report rising organizational costs, and about one-fifth noted costs from inflation, insurance, and rent increases as their most pressing budget concern.

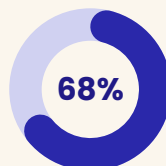


No organization reported more than one year of operating reserves, underscoring limited financial runway and heightened vulnerability to disruptions.

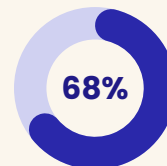
ROUNDTABLE INSIGHT: Organizations are expanding government relations to secure new funding, but must balance pursuing these opportunities with staying true to a mission that funder priorities don't fully support.



Staffing and Workforce



Identify stress and burnout as their top staffing challenge, followed by 58% citing salary and wage competition.

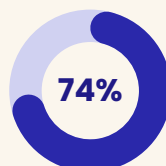


Report mild to moderate difficulty with recruitment and retention, and 58% rate staff morale as moderate.

ROUNDTABLE INSIGHT: Leaders noted the need for practical tools to support staff through declining mental health in ways appropriate for employers who are not trained as mental-health providers.

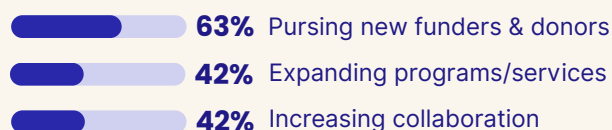


Organizational Strategy



Say community needs are the primary driver of strategic decisions, followed by 58% pointing to funding shifts and 42% citing workforce capacity.

The most cited actions:



ROUNDTABLE INSIGHT: Leaders expressed interest in coordinated strategies to push back against or navigate the current moment in ways that strengthen sector power amid mounting pressures.

EMERGING ISSUES AND HOW ROUNDTABLE ORGANIZATIONS ARE RESPONDING

The Roundtable conversation surfaced several emerging issues captured below, highlighting the conditions leaders are navigating this quarter and how those dynamics are shaping their work.

1. False Narratives as a Sector-wide Threat: Leaders report having to counter widespread, unfounded narratives about fraud, waste, and abuse that are increasingly weaponized against nonprofits. Executives want coordinated messaging and public campaigns to protect mission-critical work, holding the small number of bad actors accountable without allowing politically-motivated attacks to take root.

2. Unstable Public Funding Landscape: Government funding cycles have become more difficult to navigate, with accelerated timelines, complex requirements, and delayed reimbursements that often force nonprofits to float debt or draw down reserves to cover gaps. Amid a volatile federal funding landscape, some nonprofits that rely heavily on state funding are facing growing risk, with leaders expecting state grant funding to decrease as budget constraints deepen.

3. Rising Insurance Costs and PAGA as Existential Risks: Insurance costs – including workers' compensation, liability, and general coverage – are rising sharply. Private Attorneys General Act (PAGA) claims also remain an existential concern. Some nonprofits report being dropped by insurers, while others face steep premium increases or settlements that will drive future costs even higher.

4. Organizational Viability Amid Sector Instability: Leaders describe the challenge of managing immediate threats while preparing for uncertain conditions ahead. Some executives are considering strategic options like mergers and requests to absorb neighboring nonprofits. These decisions reflect broader instability across the sector, driven by strains in funding, workforce, and operations.

5. Board Preparedness for Effective Governance: Executives note that boards often misinterpret organizational strain as internal failures rather than as a result of sector-wide conditions. Leaders emphasize the need for stronger education so board members better understand the current landscape and the structural challenges driving instability. In doing so, it would strengthen their critical role in fundraising and supporting administrative capacity.

6. Staff Well-Being Under Intensifying Pressures: Nonprofits are seeking practical, role-appropriate ways to support staff amid burnout, rising workloads, and the emotional weight of national and global crises. Leaders are considering actionable ideas, mental health supports, and communication strategies that help staff navigate major societal issues, given their role and capacity.

THE CALNONPROFITS NONPROFIT LEADERSHIP ROUNDTABLE

Thank you to the following organizations who contributed to this quarter's survey and Roundtable discussion, helping illuminate key trends across the sector.

Jonas Mok, CEO

Bay Area Community Resources

Monique Berlanga, Executive Director

Centro Legal De La Raza

Julia Hatton, President & CEO

Rising Sun Center for Opportunity

Harry Bruell, President & CEO

PathPoint

Raymon Cancino, CEO

Community Bridges

Sheri White, Executive Director

Human Response Network

Tremaine Mitchell, Executive Director

Youth Action Project

Susan (Sue) Walker, President

Mountain Homeless Coalition

Heather Sanford, CEO

Mission Hope

Alex Sato, Executive Director

The Center in Hollywood

Niki Richardson , Executive Director

TOArts

Patima Komolamit, Executive Director

Center for the Pacific-Asian Family, Inc.

Maria Alexander, Executive Director

Center for Living and Learning

Jennifer Friend, CEO

Project Hope Alliance

Gregory Scott, President & CEO

Community Action Partnership of Orange County

Wilfredo Cruz Jr., Executive Director

Community Resource Project

Sharna Braucks, President & CEO

YMCA of Superior California

A. Garcia, Executive Director

Confronting Domestic Violence, Inc.

Adolfo Ventura Interim, President & CEO

MAAC

Dana Toppel, CEO

Jewish Family Services

Jenny Hatch, Executive Director

Sierra Nevada Alliance