



Nonprofit Sustainability in Times of Uncertainty

Staunton Farm Foundation
Rural Behavioral Health Conference
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Introductions

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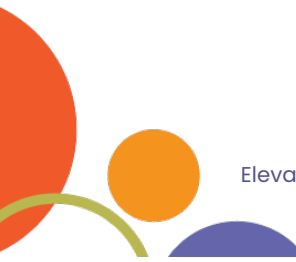
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What is Elevate NP?

We are creating a **stable, connected and accessible network of capacity-building resources** that builds on existing assets, fills gaps in service and connects nonprofit organizations to high-quality, effective solutions to maximize their community impact.



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Framing the Issue

- **Challenges post-COVID:** staffing, technology, adaptation
- **Current uncertainty:** government funding, economic strain, philanthropic funding
- **Mental and behavioral health impacts:** demand for services, individual and community wellbeing
- **Provider impacts:** uncertainty in financial, operational and programmatic health of providers and organizations





The Facts

85% expect service demand to increase in 2025.

36% ended 2024 with an operating deficit, the highest in 10 years of survey data.

86% said high costs due to inflation have impacted their organizations and clients.

52% have 3 months or less cash on hand, and 18% have one month or less.

84% of respondents with government funding expect cuts to that funding.

Source: [Nonprofit Finance Fund 2025 State of the Nonprofit Sector Survey Results](#)

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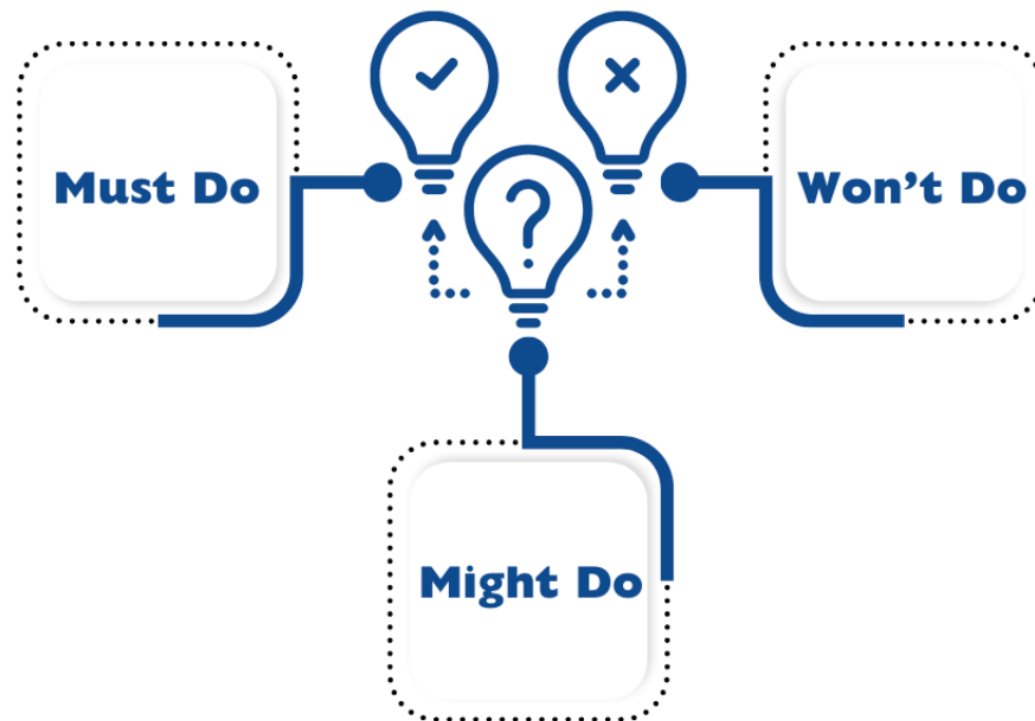


Some Tools for Planning in Tumultuous Times





What do we do? A starting point



Scenario Planning



Steps to Scenario Planning



- **Identify key drivers** – high importance, high risk
- **Develop and model scenarios** – best, neutral, bad, catastrophic
- **Create a portfolio of actions** – what steps should we take to manage against each scenario?
- **Determine key trigger points** – when will we take action?
- And then... **continuous iteration**



EXAMPLE

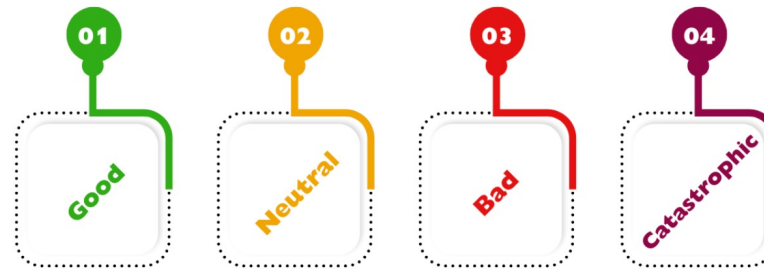


Mental health advocacy agency: Drivers

- Government funding
- Regulatory shifts around telehealth, licensing, etc.
- Philanthropic giving patterns (foundations, individuals)
- Community attitudes toward mental health
- MH workforce shortages, burnout
- Technology's role in screening, diagnosis, treatment



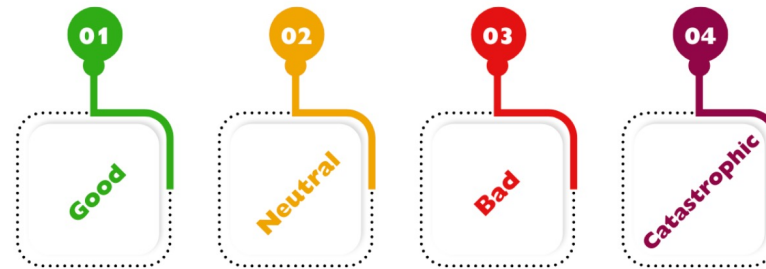
Possible Scenarios



Scenario 1: Good – An organization’s staff and supporters rally together against a common threat. Buoyed by additional funding and public support, the organization can invest in deepening or expanding its work.

Scenario 2: Neutral – An organization that experienced double-digit year-on-year growth from 2020 to 2024 might find itself stalled. Funders may reduce support as the organization’s work may no longer be top of mind for a large swath of the public, but it faces no overt attacks.

Possible Scenarios

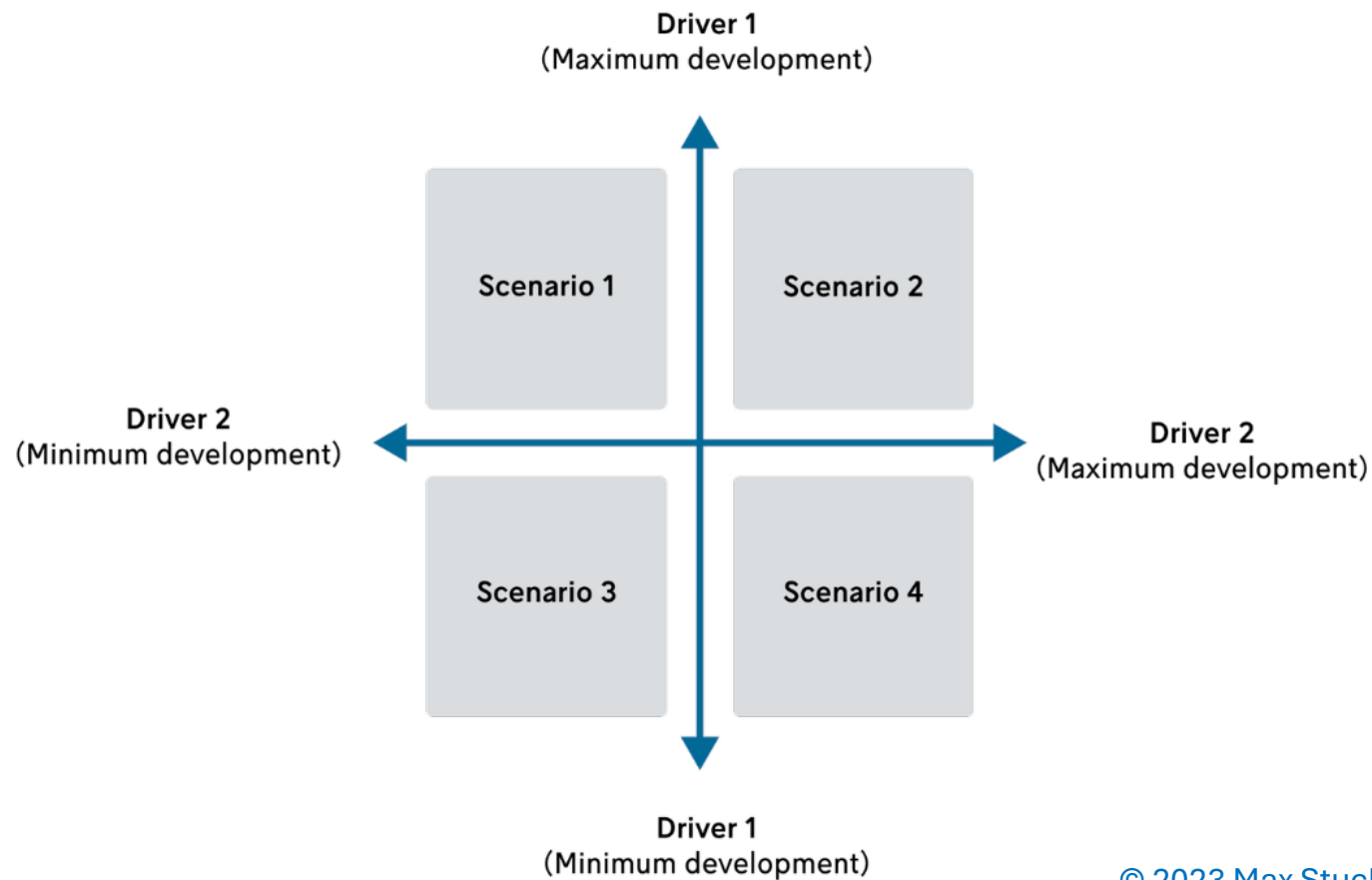


Scenario 3: Bad – Funders either divert resources to new, higher priority issues or retreat from support of an organization’s work under political or social pressure. There is pain here, for sure – possibly layoffs and program closures – but the organization will survive.

Scenario 4: Catastrophic – In this scenario, an all-out attack on an organization threatens its survival. A major public funding source could be gutted, philanthropy could turn away from the issue under political or social pressure, or a legal challenge could threaten its existence.



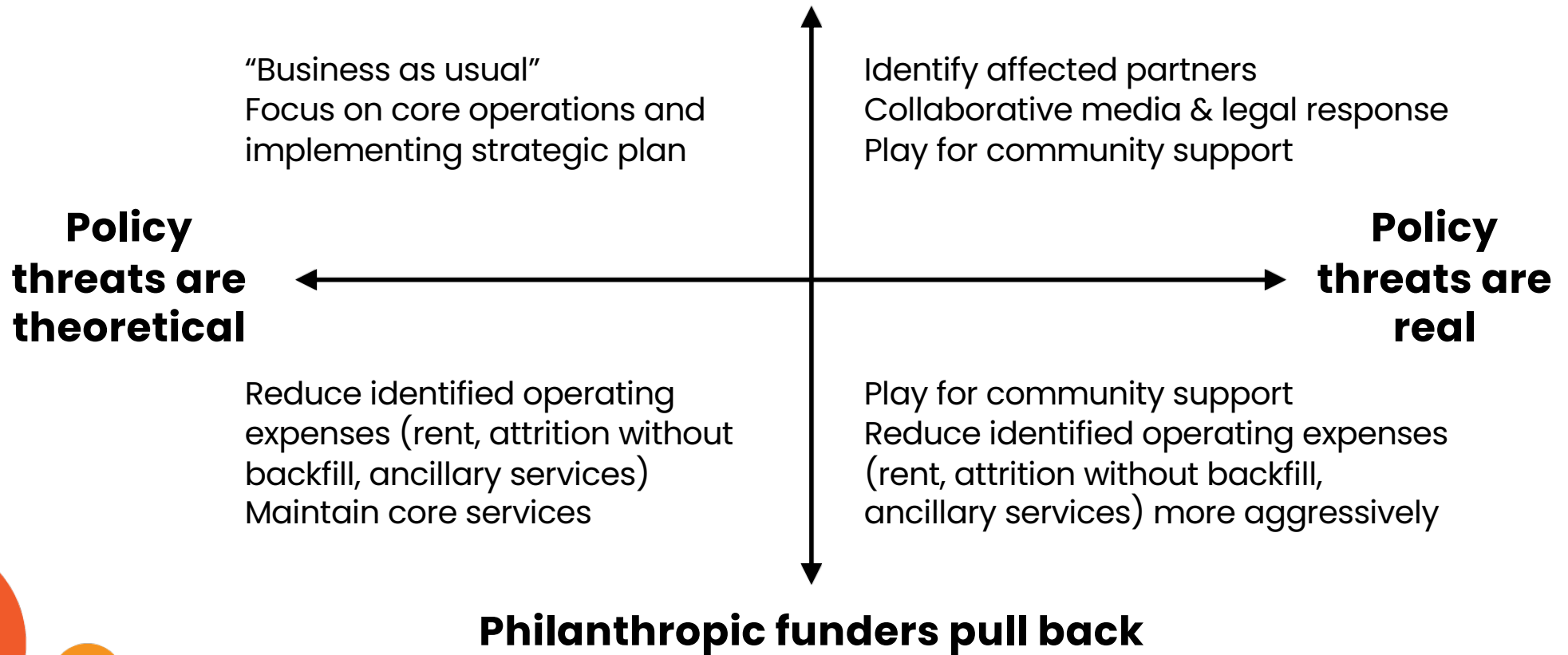
Multi-Variable Scenario Planning: the 2x2 Matrix



Multi-Variable Scenario Planning: the 2x2 Matrix



Philanthropic funders remain supportive





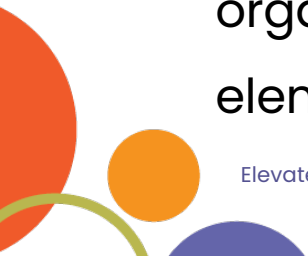
Making Hard Choices



Making Hard Choices



1. **Stay Independent** – Org continues to operate as an independent entity and makes changes to the program model. Changes need to be evaluated to determine if they can reach the threshold to solve a structural operating problem.
2. **Change** – Find a partner for a shared services model or a more extensive affiliation that would create significant changes in revenue and expense dynamics and would allow org to continue to deliver on its mission.
3. **Sunset** – Consider if org has served its purpose and how to honor the organization's history and community impact through transfer of program elements and/or remaining assets.





Affiliation & Collaboration

- **Collaboration** – Often programmatic
- **Administrative Consolidation/Shared Services** – Finance & accounting, human resources, IT, etc.
- **Organizational Integration** – mergers, subsidiary relationships, etc.; when both programs and cultures are compatible



Why do nonprofits collaborate?



Organizational efficiency – accomplishing more with fewer resources

Organizational effectiveness – greater ability to advance mission

Broader social & systems change – leveraging impact within the context of a larger effort



Identifying Partners

TRUST!

Complementary strengths

Common mission

Communication

Transparency

Fairness

Unselfishness

Acceptance

Forgiveness





Beginning the Conversation

- Be clear about your goals
- Know your must do's and won't do's
- Listen
- Look for common ground
- Be openminded to the possibilities

Remember, building trust takes time.





Planning for Collaboration

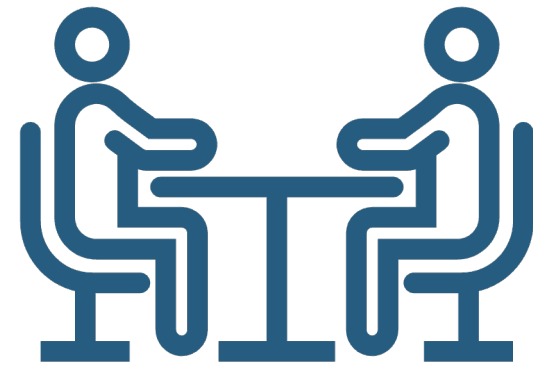
- **Define desired outcomes:** What do we want to accomplish through collaboration? What would success look like?
- **Identify partners:** Do we share similar values? Is there potential for mutual benefit? Do we trust each other?
- **Inventory existing resources:** What do we bring to the table? What can we build upon that will help us accomplish our goals?
- **Examine other models:** What promising practices can we identify from others who have collaborated? What model helps us achieve our desired outcomes?
- **Structure and implementation:** Form should always follow function. Determine what is needed to support start-up and ongoing operations.





Key Ingredients for Successful Collaborations

- TRUST!
- Values
- Clarity of purpose
- Communication
- Defined process
- Clear measures of success
- Do your homework
- Discuss the hard issues



Coming soon from Elevate NP



Assessment



Navigation



**Finance and
Fundraising
Support**



**Strategic
Change**

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References from today

- [NFF Nonprofit Sector Survey 2025](#)
- [LaPiana – “Nonprofit Scenario Planning in an Age of Chaos”](#)
- [Bridgespan Group Scenario Planning Toolkit](#)
- [2x2 Scenario Planning Matrix](#)
- [Nonprofit Collaboration Toolkit](#)



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