

New Report Reveals Essential Los Angeles Nonprofits Are Under Strain

LOS ANGELES, CA, UNITED STATES, September 17, 2025 /EINPresswire.com/ -- [Nonprofit Finance Fund](#) (NFF) and the [Center for Nonprofit Management](#) (CNM), today released “Essential, Enduring, and Under Strain: Los Angeles’ Nonprofit Sector in 2025”, a new report capturing the challenges and resilience of the region’s nonprofits. CNM sponsored NFF’s research and analysis to advance an understanding of opportunities and challenges facing nonprofits in LA County, and to empower funders and nonprofits to take action.

“Los Angeles nonprofits are the backbone of our communities, yet they are carrying immense weight from meeting surging demand, responding to crises, and advancing their missions, while being asked to do more with less,” said Efrain Escobedo, President & CEO of Center for Nonprofit Management (CNM.) “At CNM, our hope is this report serves as a wake-up call for funders and policymakers to act with urgency: to fund full costs, stabilize the workforce, and recognize nonprofits as essential infrastructure for our region’s future.”

“LA’s nonprofits have proven their resilience and effectiveness time and time again – during COVID lockdowns, wildfire evacuations, labor rights movements, and everyday life in neighborhoods across the County,” said Annie Chang, Vice President of Community Engagement at NFF. “Funders must invest in and protect nonprofits as critical agents of social and economic impact.”

Drawing on responses from nearly 200 nonprofit organizations across Los Angeles County, the report is part of NFF’s national 2025 State of the Nonprofit Sector Survey. It finds that LA nonprofits, which are more likely than their national peers to be led by people of color and to serve low-income communities, are vital infrastructure for the region but face rising demand, financial fragility, and workforce pressures.

Key findings include:

- Smaller, newer, and more diverse organizations: Over half (54%) of LA respondents have budgets under \$1 million; 61% are led by a person of color, close to double the national rate.
- Meeting growing demand with limited resources: A majority of nonprofits report increased demand for services, yet more than half (52%) don’t expect to meet community needs in 2025.
- Financial strain and funding delays: 34% reported operating deficits in 2024, and 29% of

organizations with government funding experience payments more than 60 days late—forcing many to take on debt or cut services.

- Workforce challenges: Only 40% of LA nonprofits can pay all staff a living wage, with high cost of living and staff burnout creating major hurdles.

Despite these pressures, LA nonprofits continue to lead with innovation, community-centered approaches, and advocacy. Many are advancing racial and gender equity, supporting local businesses, and investing in community wealth-building.

One respondent from an LA youth education and career development nonprofit shared, "The youth we work with are afraid that their parents will be deported, which impacts their health, participation and engagement in school and our program efforts. We are preparing to diversify our income to ensure that we don't rely on federal funds that might trickle down from schools or county partners."

An LA housing nonprofit worker contributed, "We are engaging in proactive advocacy efforts to ensure that the voices of those we serve are represented in policy discussions. This includes forming coalitions with other local nonprofits to amplify our collective impact...Overall, our organization is committed to remaining agile and responsive to the evolving landscape, ensuring that we can continue to meet the needs of our community effectively, regardless of the political climate."

The LA report accompanies simultaneous releases for New York City and Greater Philadelphia, together contributing to one of the most comprehensive national datasets on nonprofit health and needs.

About Nonprofit Finance Fund (NFF):

Nonprofit Finance Fund® (NFF®) is a nonprofit lender, consultant, and advocate. For 45 years, we've helped organizations access the money and resources they need to realize their communities' aspirations. Alongside others, we're working to build community wealth and well-being and put affordable housing, essential services, quality jobs, and excellent education within reach of more people. To learn more, visit <https://nff.org/>.

About Center for Nonprofit Management (CNM):

The Center for Nonprofit Management (CNM) is a strategic advisor, advocate, and catalyst for the social impact sector across Southern California. For nearly 50 years, we've brought practical tools to mission-driven leaders to help them grow their organizations. Today, CNM is redefining how the sector is valued and resourced.

Kara Prior

Born in June Creative

+1 210-846-4486

[email us here](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/849626585>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2025 Newsmatics Inc. All Right Reserved.