



State of the Sector

An Outlook for Oklahoma Nonprofits
for 2025

brought to you by

The Oklahoma Center for Nonprofits



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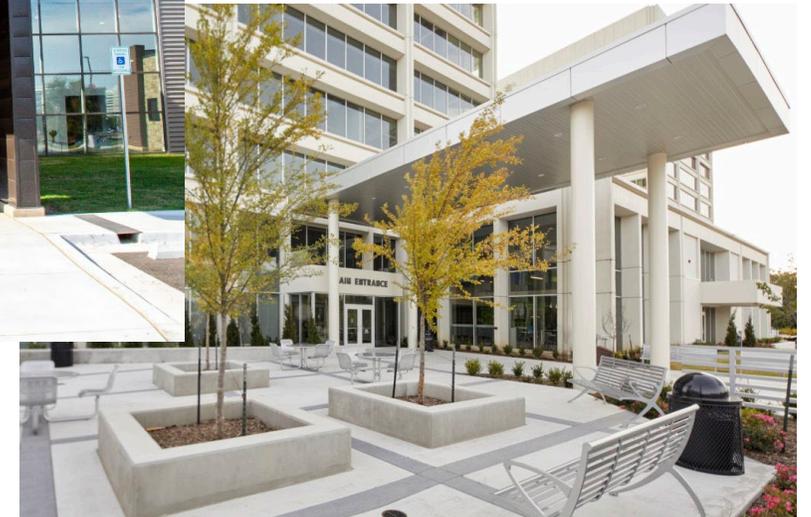
About the Oklahoma Center for Nonprofits

Serving more than 1,000 members statewide, the Oklahoma Center for Nonprofits convenes charitable leaders and entities for collaboration, professional development, advocacy, consulting, recognition and more. Since 1981, the OKCNP has empowered nonprofit organizations and individuals to achieve excellence in their missions, working together for a better Oklahoma.



Tulsa >

< Oklahoma City



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Today's Host



Marnie Taylor, President & CEO
Oklahoma Center for Nonprofits



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Today's Agenda

- **Welcome**
- **Overview of Nonprofits in Oklahoma**
- **Defining the Nonprofit Sector and Its Impact**
- **Funding Trends**
- **Priorities for Advocacy**
- **Outlook and Opportunities for 2025**
- **Q&A**





Oklahoma thrives
when nonprofits thrive.



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A State of Great Need



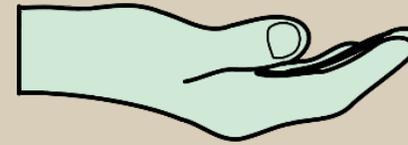
49th in
Education



47th in
Public Health



4th for Overall
Incarceration



1 in 5 children
live at or below
poverty level



691,000+ with
one or more
disabilities

There is a nonprofit for that!



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For-Profit Goal

Maximize shareholder investment and create profit for owners/shareholders

Motivated not only by profits, but also by goals of making a positive difference

Benefit Corporation

Nonprofit Goal

Ensure the public good by working towards a particular mission

Sector Overlap



What Makes Nonprofits Different

Nonprofits fill the gaps that do not fit under business or government models. They were established for the public good.

1. Owned by a Board
2. Charitable Donations
3. Volunteer
4. No Campaigning



The Nonprofit Sector in Our State

Oklahoma Data

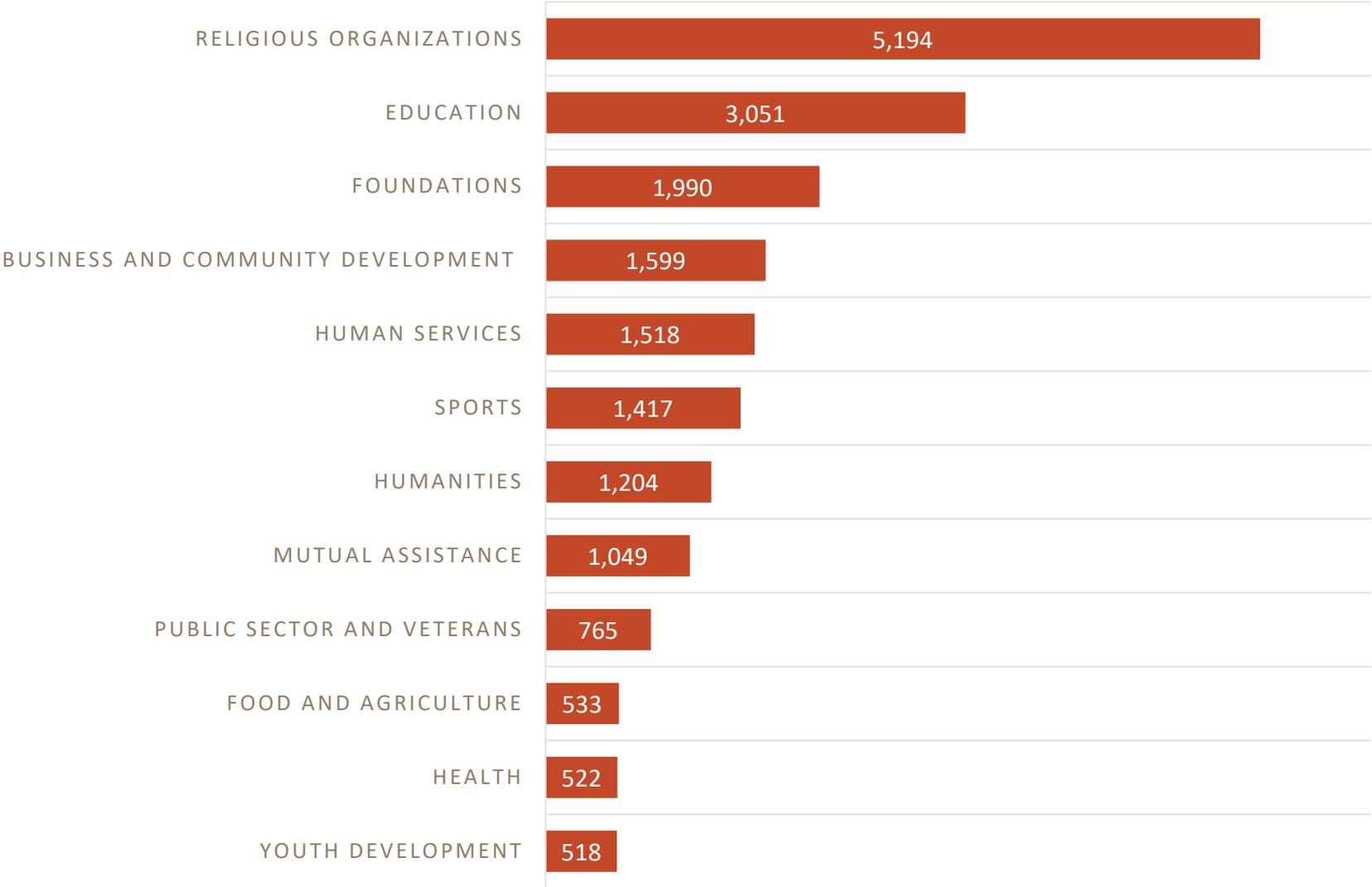
- 23,353 Tax Exempt organizations in Oklahoma *as of February 2024
- Nonprofit sector comprises 7% of Oklahoma's workforce
- 964,701 Oklahomans volunteers

- 11,407 501c3 - Public Charities (exclude churches and private foundations)
- 1,222 Private Foundations
- 4,008 Other NPOs (Chambers of Commerce, Civic Leagues, etc.)

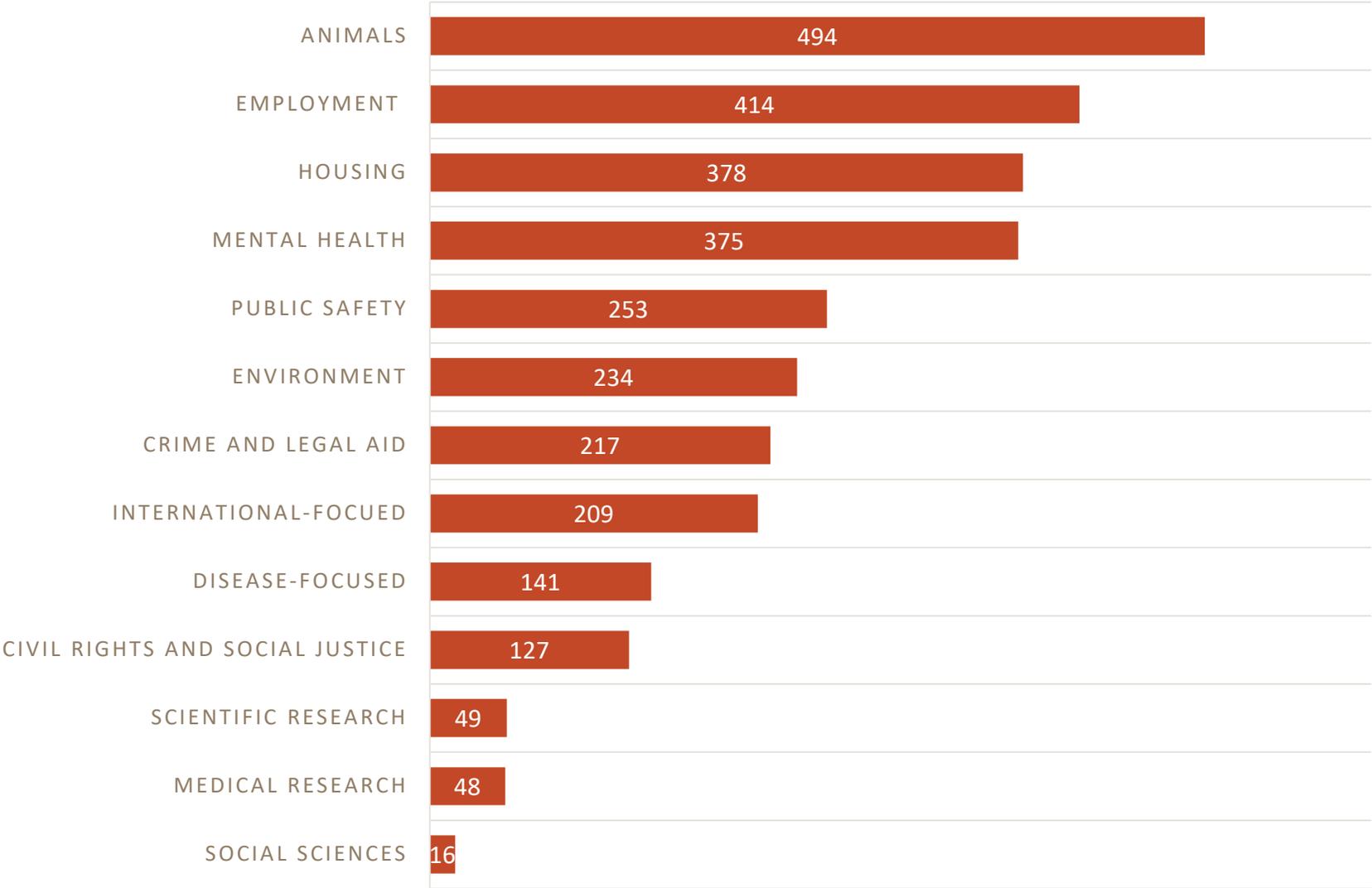
- Public Charities w/ Revenue in the State of Oklahoma = 5,126
- Total = \$65 billion in total assets, \$21 billion in revenue

- Public Charities w/ Revenue in Oklahoma County = 1,374
- Total = \$18.3 million in total assets, \$6.6 million in revenue

Oklahoma Nonprofits By Mission Type



Oklahoma Nonprofits By Mission Type



Baseline: Sources of Revenue

49% EARNED
Private Fees for Services



31.8% EARNED
Government
Grants/Contracts



8.7% DONATED
Individuals



2.9% DONATED
Foundations



1.5% DONATED
Bequests



.9% DONATED
Corporations



5.2% Other

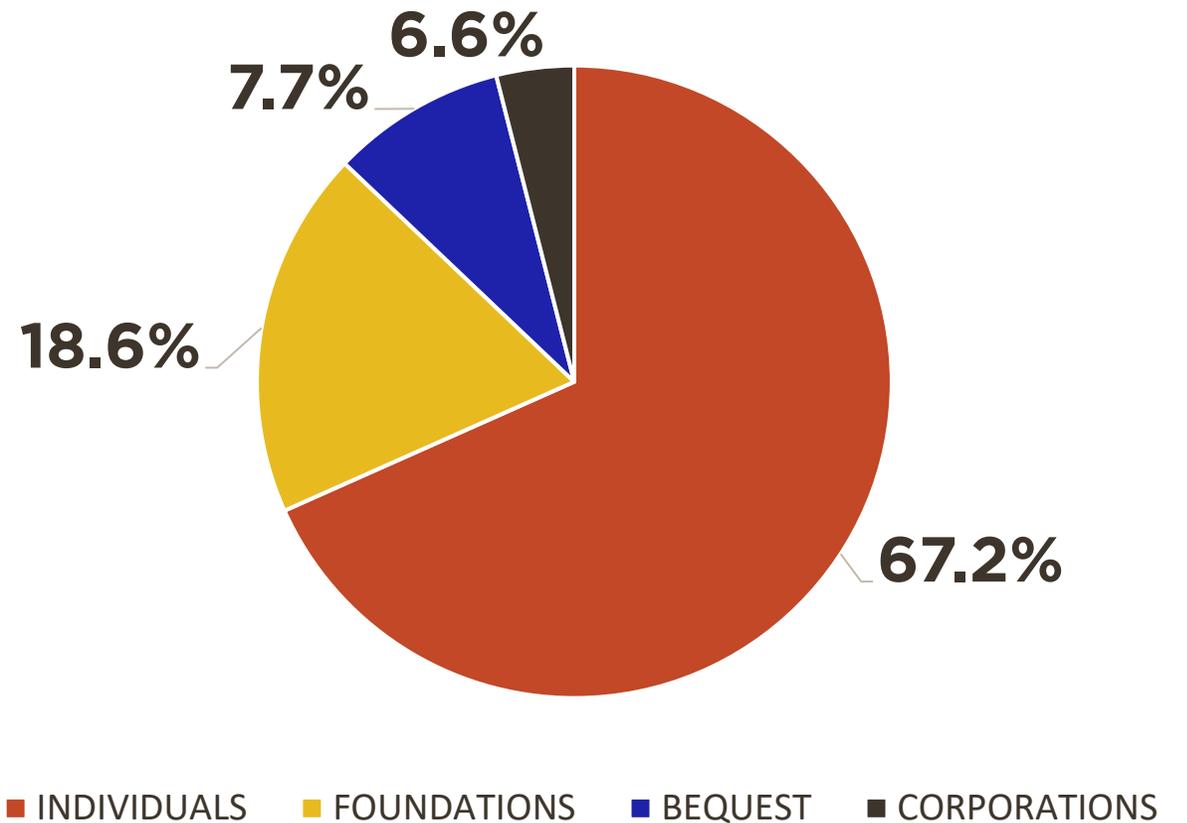


Where does the generosity come from?

SOURCE: GIVING USA, 2023

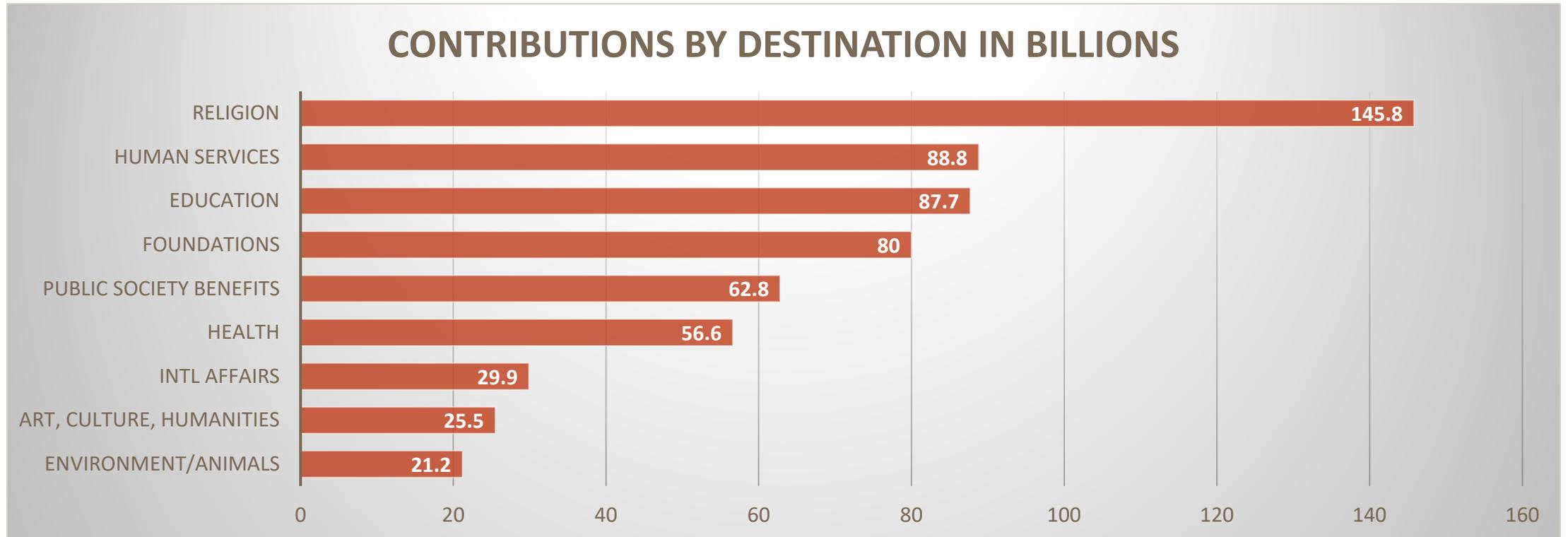
- Individuals: \$374.40 billion
- Foundations: \$103.50 billion
- Bequest: \$42.70 billion
- Corporations: \$36.60 billion

TOTAL: \$555.22 billion



Where did the charitable dollars go?

SOURCE: GIVING USA, 2023



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What's Up (or Down!) with Giving

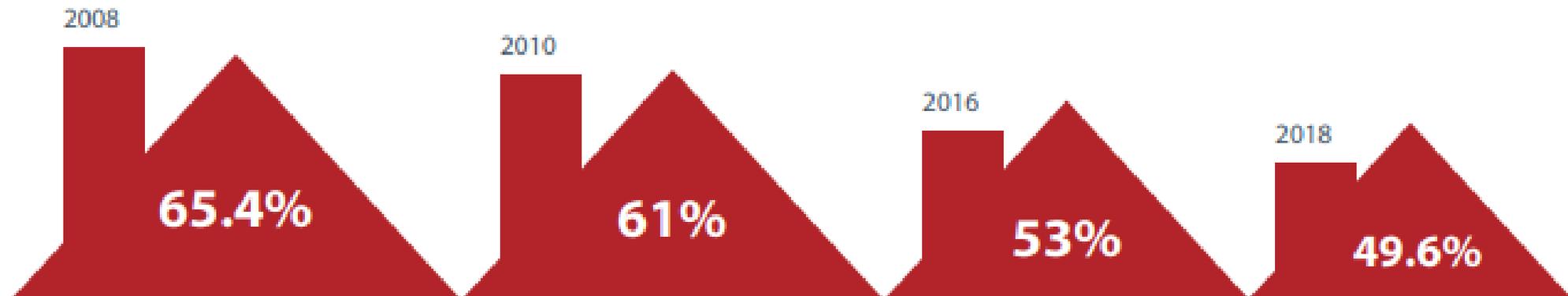
- Total amount fundraised in 2022 declined 8.4% over previous year in inflation-adjusted dollars then fell another 2.1% in 2023 (*Source: Giving USA*)
- After tax law changed in 2017, \$16 billion loss in charitable giving from those who used to itemize and now do not (*Source: National Council for Nonprofits*)
- Fewer people are donating & generally donors are giving smaller amounts (increase due to large gifts from wealthy donors like



Household Decline in Giving – Trends Over Time

SOURCE: Philanthropy Panel Study via The Generosity Commission

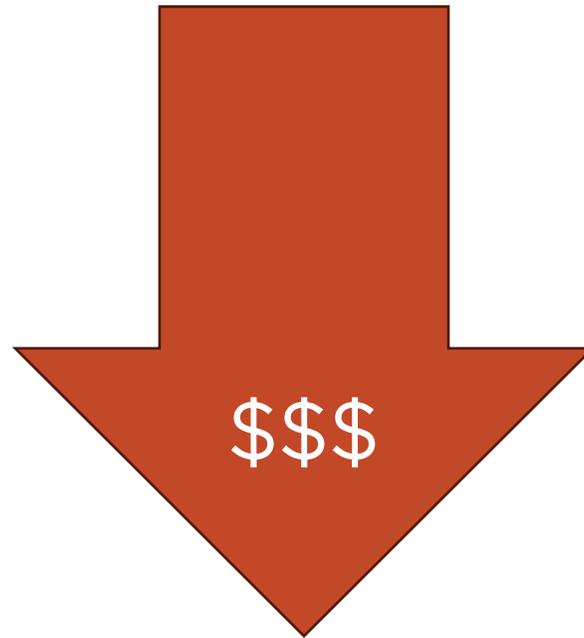
Share of U.S. households reporting donating to nonprofit organizations



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Household Decline in Giving – Tumbling in the 2020s

SOURCE: Nonprofit Times



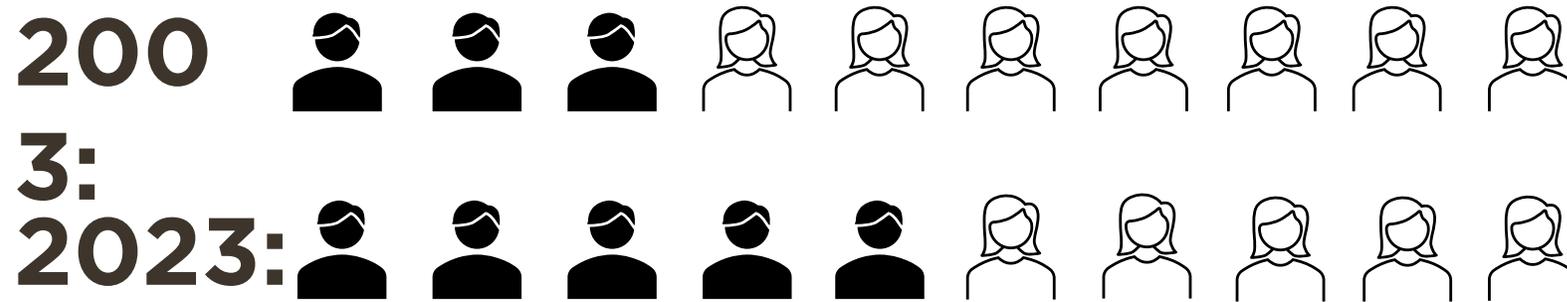
Giving also declined as a percentage of the nation's gross domestic product, to 1.9% from 2.2%.



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Decline in Volunteerism

Source: Do Good Institute via The Generosity Commission



In 2023, 46.8% of CEOs reported that recruiting sufficient volunteers was a big problem for their organization. Those numbers almost doubled from a 2003 survey in which 29% of nonprofits saw this issue as a major problem.

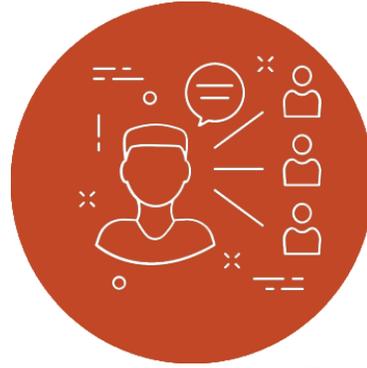
Reasons Americans Are Giving Less

SOURCE: URBAN INSTITUTE

- 1 Economic Uncertainty
- 2 Declining Religious Connection
- 3 Tax Incentives
- 4 Declining Institutional Trust
- 5 Social Disconnection
- 6 Demographic Shifts
- 7 Rechanneling Giving (e.g., in-kind gifts)
- 8 Political Activism
- 9 Person-to-Person (e.g., GoFundMe)



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Role of Nonprofits in Policy

Nonprofits engage in three ways

01 Education

Educate the general public on the importance of voting.

02 Advocacy

Advocate for policy needs for certain communities.

03 Lobbying

Up to 20% of organization's budget.

Nonprofits can advocate for issues but cannot endorse political candidates.

**“For the charitable sector,
COVID-19 is not over.”**

- Chris Arneson, Director of Economic Policy
Senate Finance Committee

Oklahoma Nonprofit COVID-19 Recovery

Challenges

- **Increase in demand for services (but fewer resources to respond)**
- **Workforce reduction**
- **Low revenue confidence**
- **Lower grants**
- **Negative impact on fundraising**

“The wave of COVID-related money from donors foundations, and the government is over, but demand for services never subsided.”

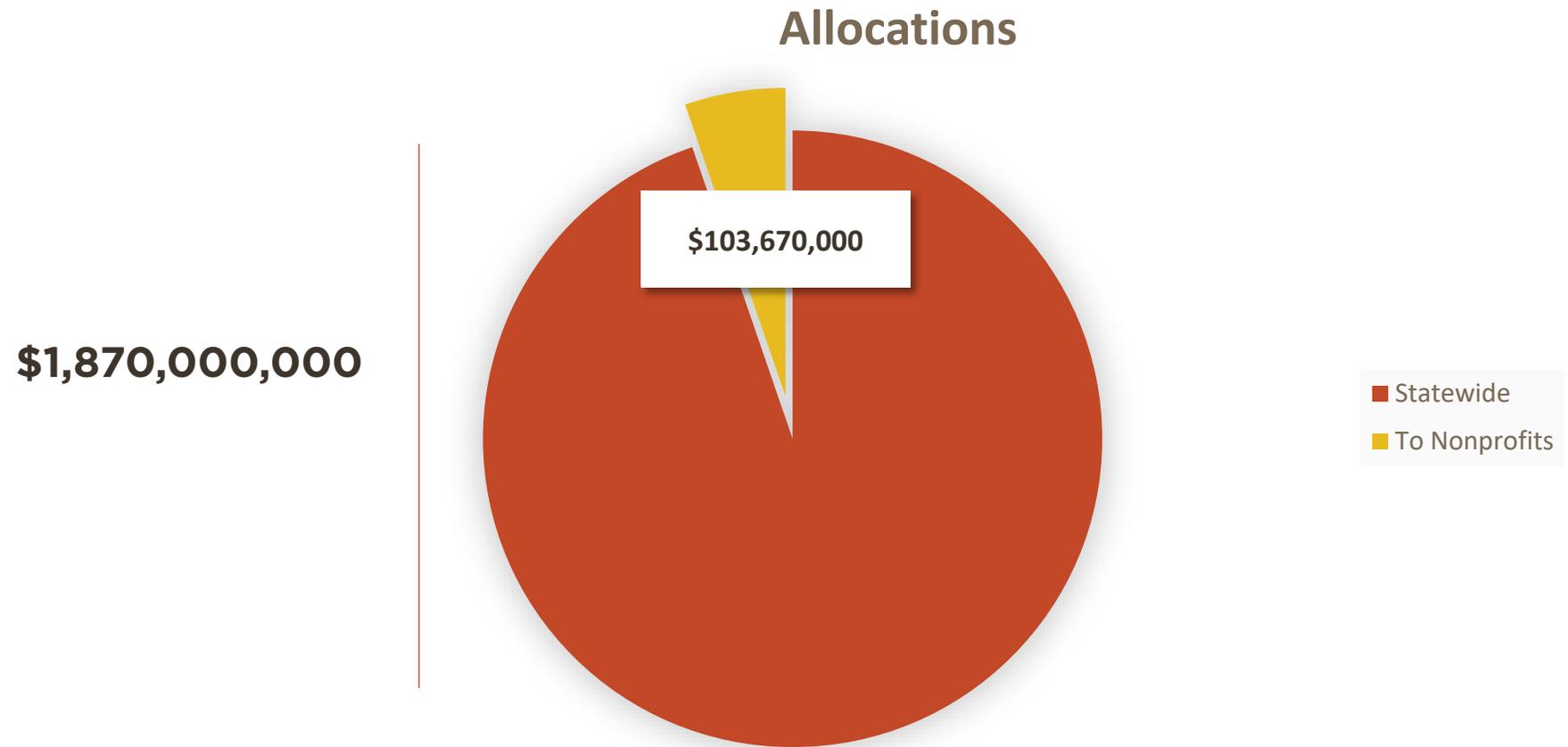
- Chronicle of Philanthropy, December 2024

ARPA to the Rescue

- Of the \$1.87 billion Oklahoma received, about \$103.67 million was granted to nonprofits
- The state saw 1,439 proposals (totaling \$17.9 billion)
 - 457 of the proposals were for nonprofits (totaling \$5.8 billion)



ARPA to the Rescue



State Legislative Outlook

- Oklahoma's 2025 Legislative Session begins February 3, 2025
- New House and Senate Leadership
- More bills to watch on the horizon



Federal Legislative Outlook



- New administration
- Charitable Act
 - Senator J. Lankford (OK)
- Tax Policy Threats
 - Revoking tax-exempt status of business-like charities
 - Higher taxes on endowment and foundation income
 - More scrutiny of donor-advised funds



Federal Policy on Giving



“As Oklahomans and Americans donate their time, money and resources to our nation’s nonprofits so they can serve people, they should be able to deduct more from their federal taxes as an incentive to financially support nonprofits since these services are often in place of government benefits.”

- Sen. James Lankford



“If you are not at the table, you are not on the menu. If they don’t give you a seat at the table, bring your own folding chairs!”

- Shirley Chisholm



OUR MISSION:
EMPOWERING NONPROFITS
TO ACHIEVE EXCELLENCE
IN THEIR MISSIONS



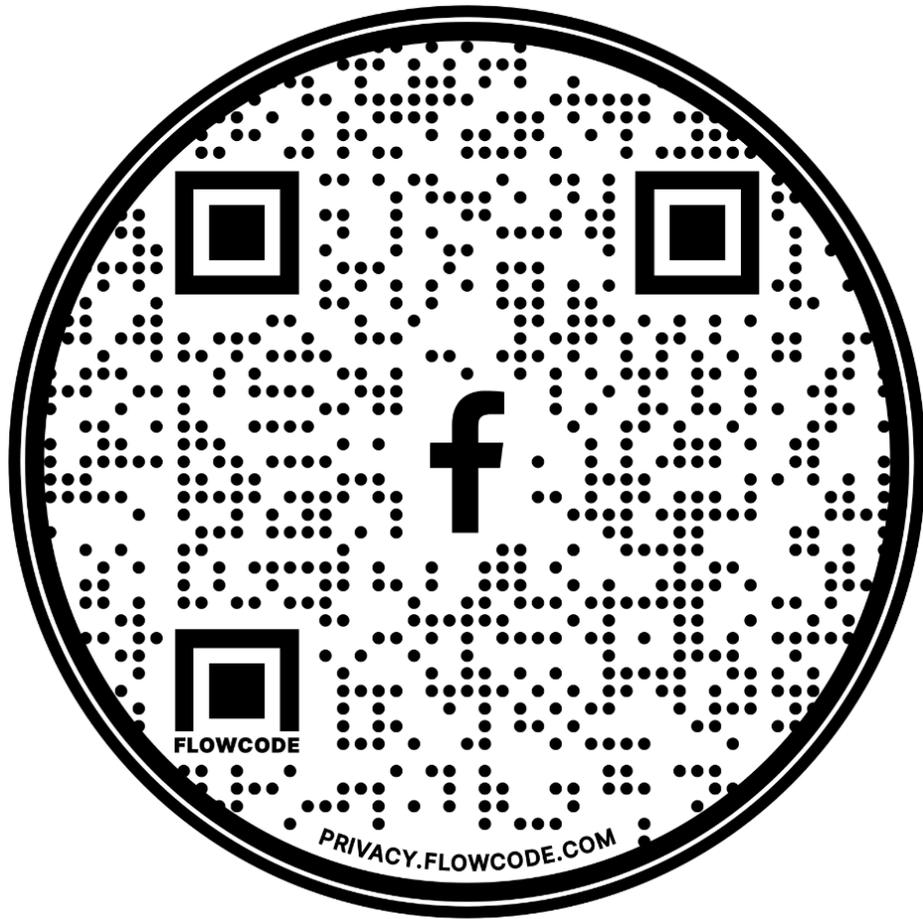
HELP US DEVELOP OKLAHOMA'S
NEXT NONPROFIT LEADERS

MEMBERSHIP

ADVOCACY

PROFESSIONAL DEVELOPMENT

CONSULTING



We're here
to help you!

Check out all our
upcoming events, latest
nonprofit sector news, &
professional development
opportunities.



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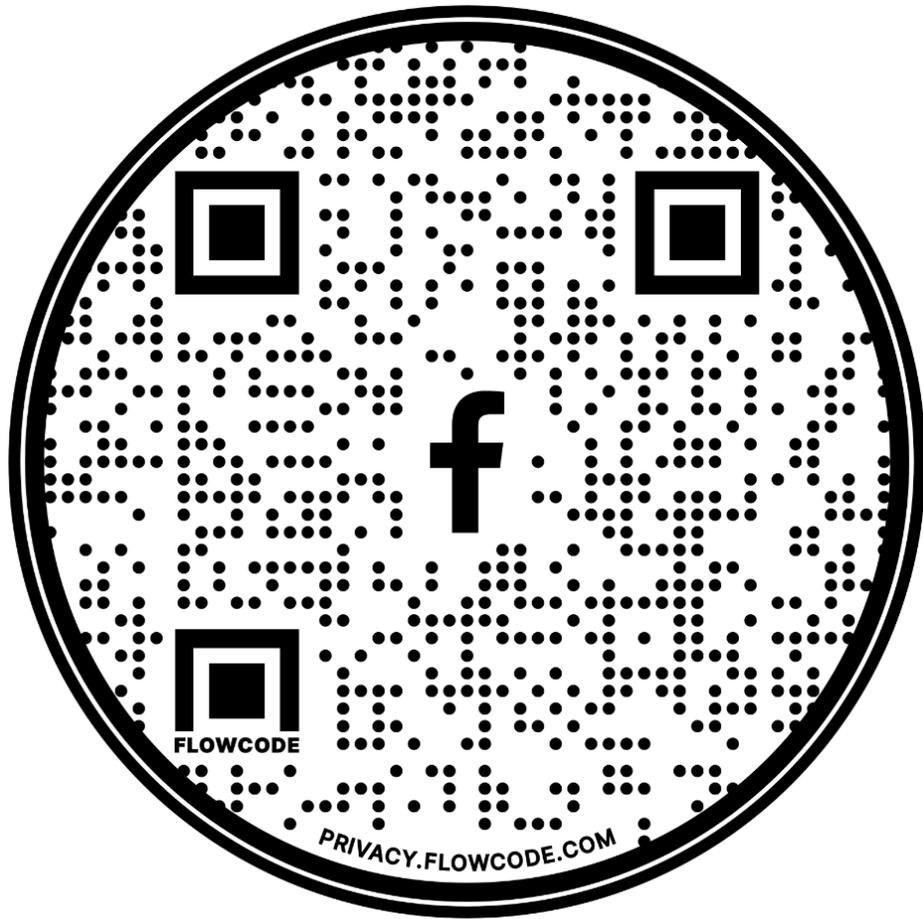
Q&A



More Ways to Engage in 2025

- Advocacy Roundtables
 - Every other Friday during session at 9:30 a.m. (start January 24)
 - Virtual; representatives from all nonprofits invited
- Sector Connector
 - First Wednesday of each month at 10 a.m.
 - Virtual; representatives from all nonprofits invited
- Nonprofit Advocacy Day at the Capitol
 - Wednesday, Feb. 26 from 8 a.m.-noon
 - Reception preceding Tuesday, Feb. 25 from 5-7 p.m. at the Center





Thank You



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