

# Sage Nonprofit Insights, Q1 2011

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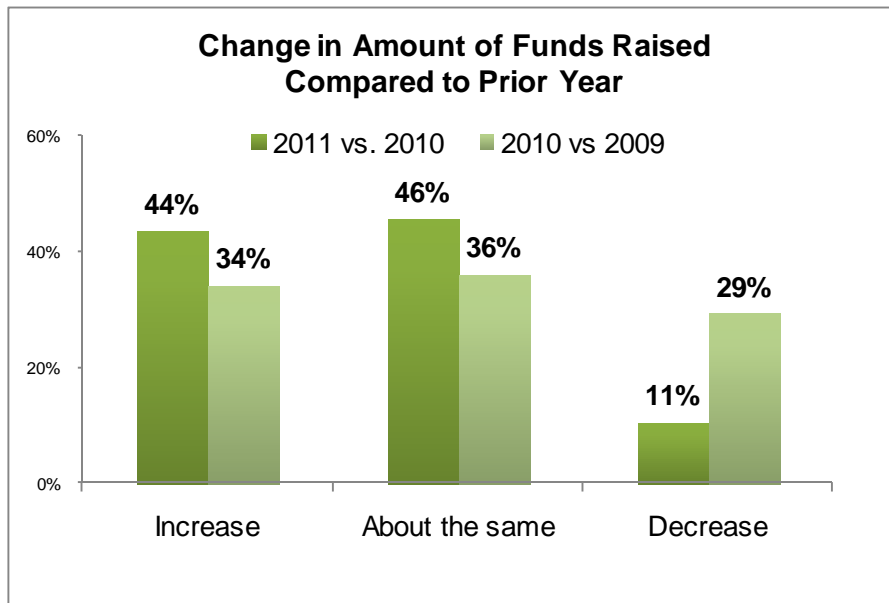
## Summary Report

## Introduction

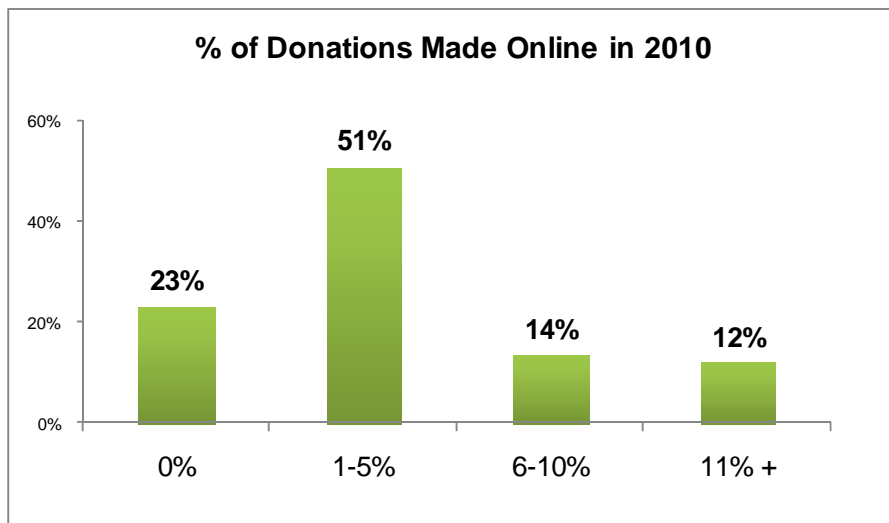
Sage North America serves 3.1 million small and mid-sized organizations and more than 32,000 unique not-for-profit organizations in the United States and Canada, regularly surveying them and other organizations for their opinions on the business environment. The most recent **Sage Nonprofit Insights**, the results of which are summarized here, focuses on U.S. nonprofit organizations' views and outlook with regard to fundraising, tax exemptions, government funding, and legislation.

## Fundraising

Organizations that carry out fundraising are optimistic that 2011 will be a better year than 2010. 90% said that they expect the amount of funds they raise in 2011 will be equal to or higher than the amount they raised in 2010. This is up from the 70% of respondents that said the amount they raised in 2010 was equal to or higher than the amount they raised in 2009.

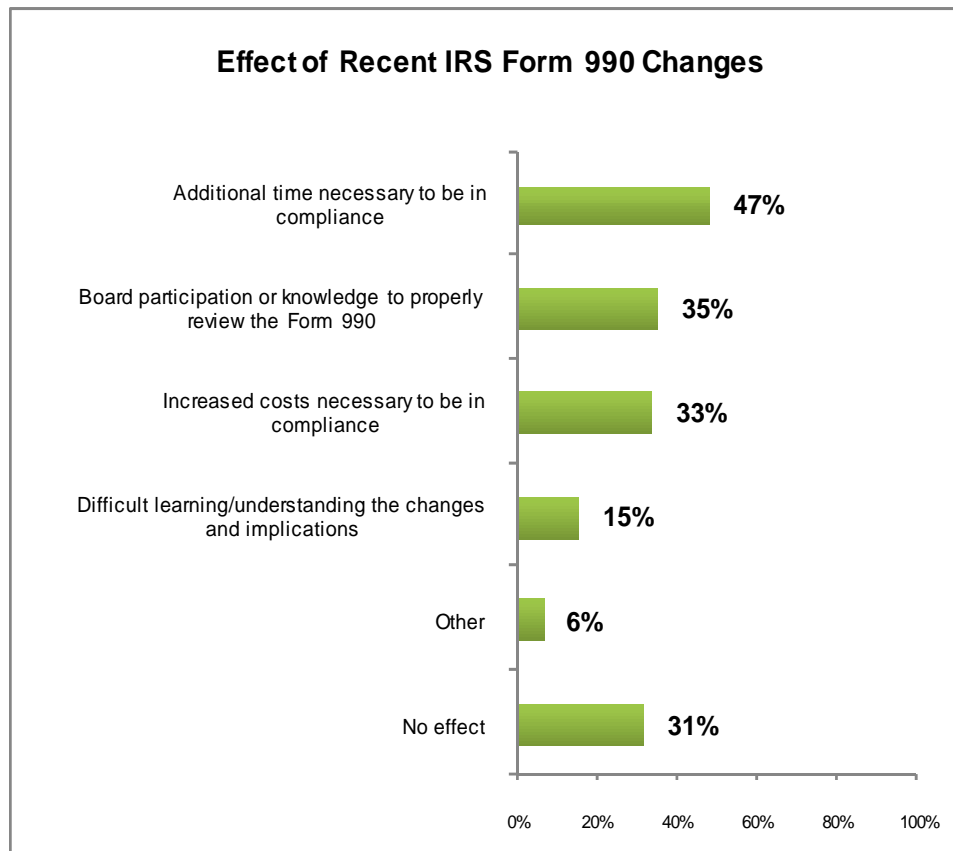
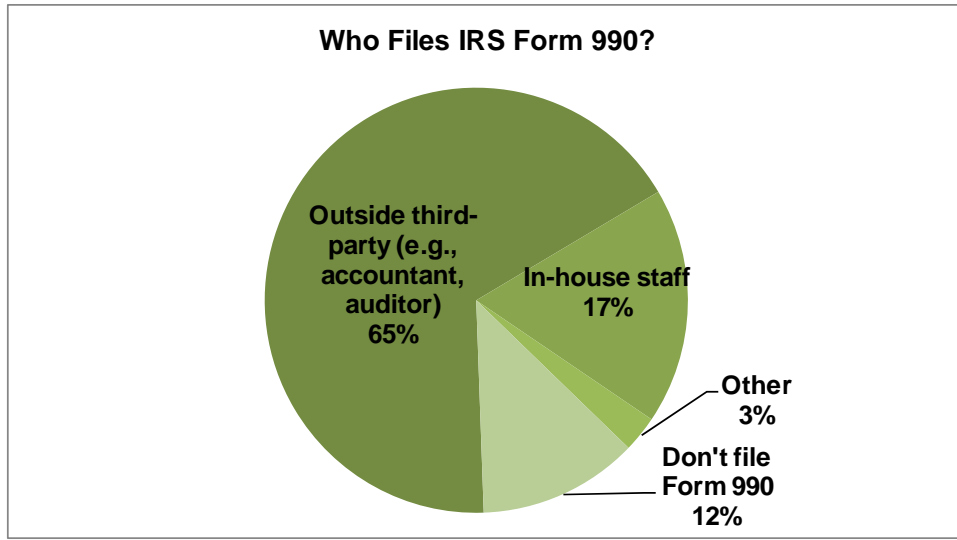


Online donations still make up a very small part of the fundraising volume for organizations surveyed. Nearly one-fourth did not receive any online donations, and most of the remainder received 5% or less of their donations via this method. However, organizations are planning to put more effort behind online efforts. 44% said they expect the share of donations made online to increase in 2011, mainly by adding the capability to their websites and promoting it more in communications to donors.



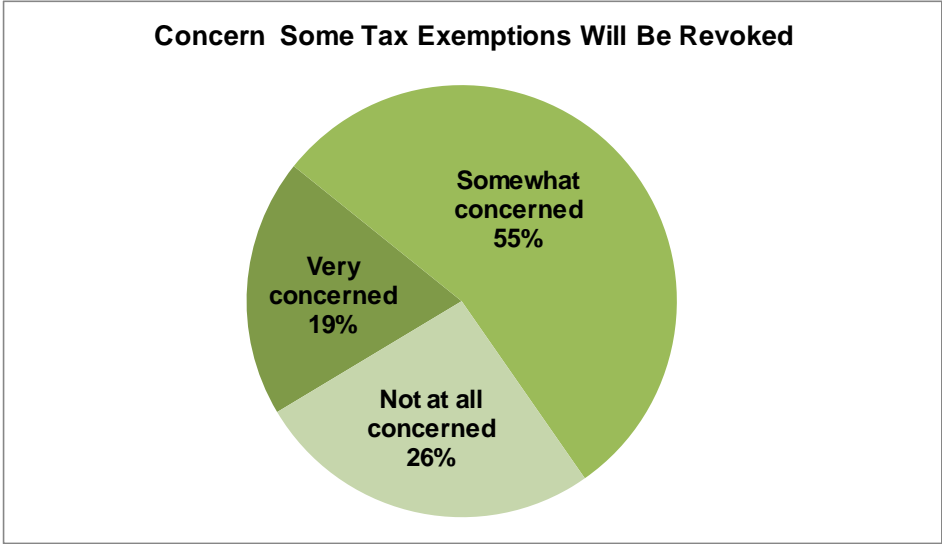
### Form 990

88% of respondents file IRS Form 990. Of these, most use an outside third-party to do so. When asked how recent changes in IRS Form 990 have affected their organization, the most common responses were the additional time necessary (47%), more board participation (35%), and increased costs (33%).



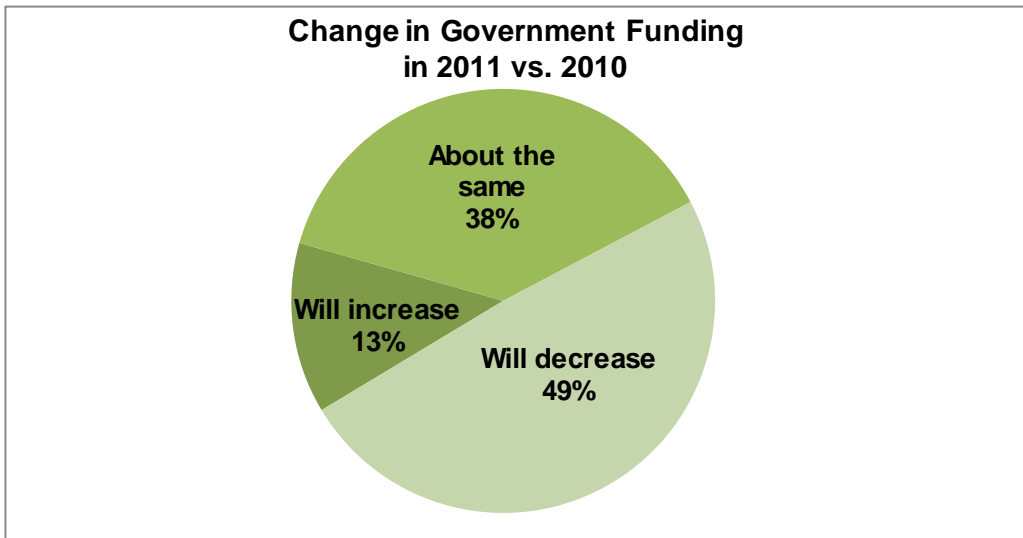
### Tax Exemptions

About three-fourths of organizations surveyed said they are very or somewhat concerned that some tax exemptions for nonprofits will be revoked in the next 1 or 2 years.



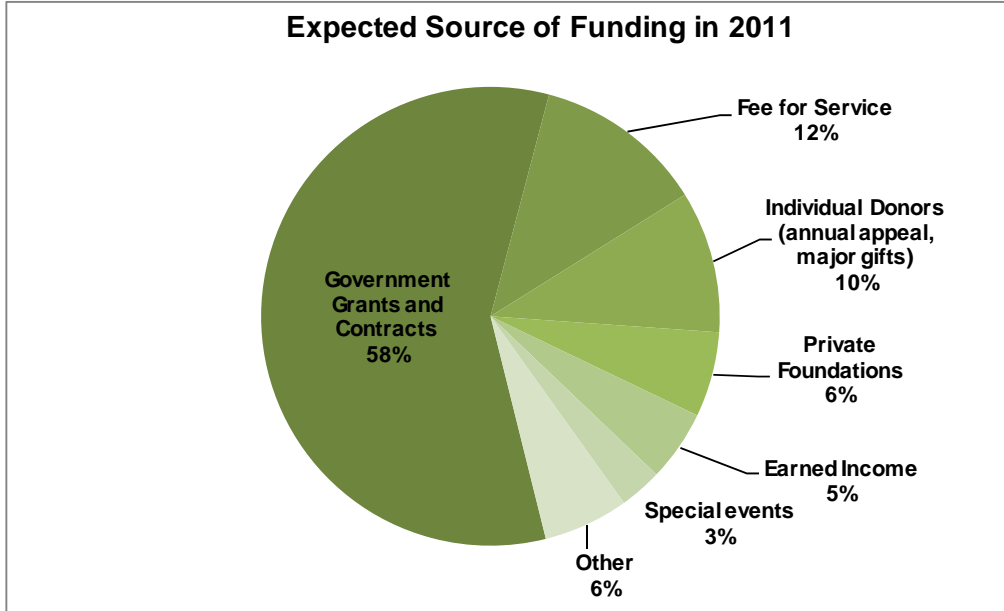
### Government Funding

Many organizations that receive government funding are anticipating less government support in the upcoming year. Approximately half of those surveyed project the amount of government funding they receive will decrease from the 2010 level, mainly due to budget cuts at the local level. 85% of the organizations that receive government funding said recent changes in the political environment will have significant (25%) or some (60%) effect on their funding.

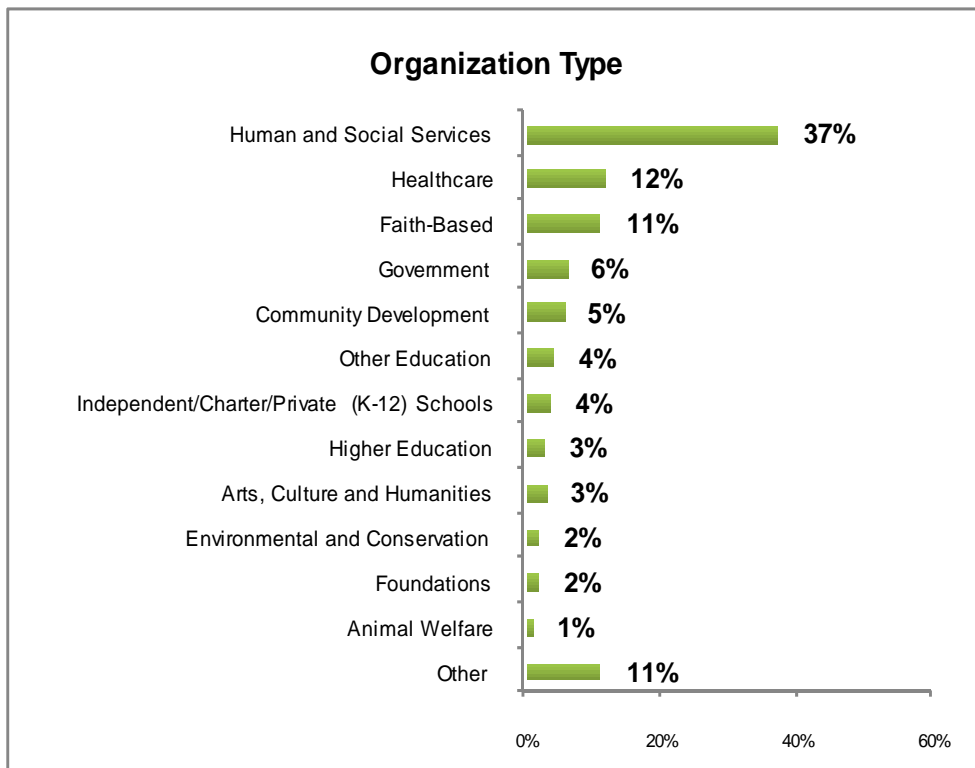


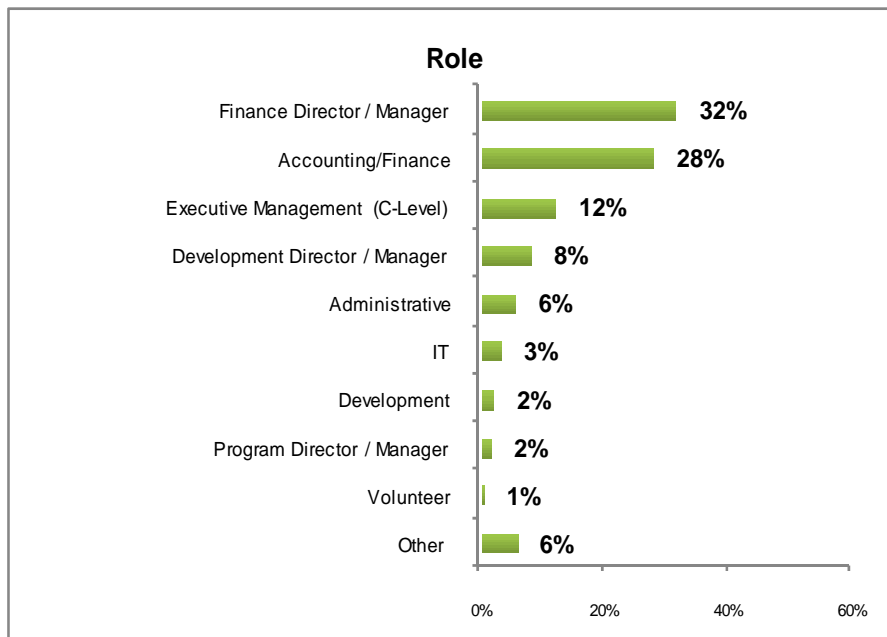
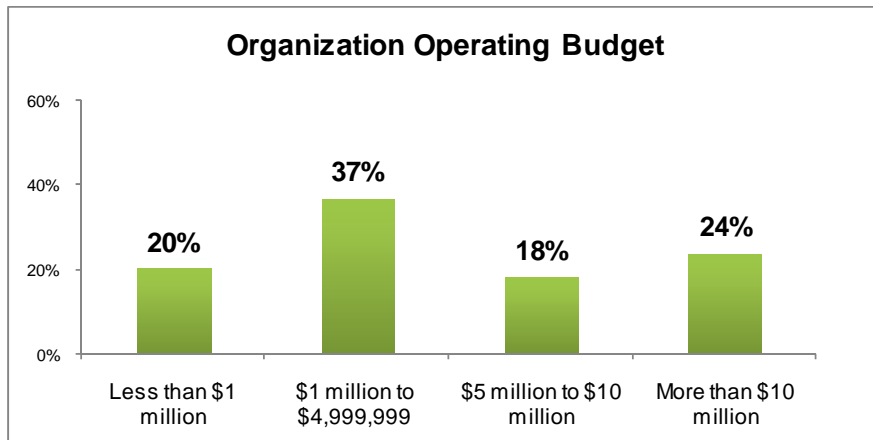
### All Funding Sources

Respondents reported that their most common source of funding in 2011 will be government grants and contracts. Next most common are fee for service and individual donors. The ratios in the graph below are virtually the same as for 2010, according to respondents.



### Characteristics of Respondents





### **Methodology**

The survey was conducted in the U.S. in January 2011 and had a total of 602 respondents. The margin of error on the overall sample is plus or minus 4 percentage points (greater for sub-samples).