GEORGIA CENTER *for* NONPROFITS

2026 Georgia Nonprofit Forecast

Mid-Year Outlook

A Comprehensive Report on Financial Confidence, Demand, Capacity, and Organizational Health

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April 2026 · n=322 respondents · gcn.org

ABOUT THIS STUDY

The Georgia Nonprofit Forecast

The Georgia Nonprofit Forecast is the Georgia Center for Nonprofits' comprehensive, twice-yearly measurement of organizational conditions across the state's nonprofit sector. The Forecast surveys CEOs, senior leaders, and board members at nonprofit organizations of all sizes — from small community-based groups to large multi-program institutions — to capture a real-time picture of financial health, service demand, organizational capacity, and leadership conditions.

This Mid-Year Outlook reflects 322 responses collected in April 2026. Respondents represent the full spectrum of Georgia's nonprofit sector: 13 major subsectors, organizations ranging from under $250,000 to over $10 million in annual budget, and service areas from a single county to national reach. 85.1% of survey respondents are CEOs or senior leaders.

The Forecast is designed for longitudinal comparison. Core indicators are tracked consistently across waves to enable year-over-year and season-over-season analysis. Where methodology changes are made, they are documented explicitly to preserve comparability. Results reflect the perspectives of responding organizations and should not be extrapolated as a random sample of all Georgia nonprofits; the sample is sufficient for directional sector-level conclusions and segment comparisons.

GCN publishes the Forecast to inform the decisions of nonprofit leaders, philanthropic funders, policymakers, and community partners who rely on accurate, ground-level data about the sector they support. The data in this report is current as of April 2026.

HOW TO USE THIS REPORT

Each section of the Forecast is self-contained and can be shared independently. Charts and data assertions have been verified against the underlying survey dataset (n=322). Net scores throughout this report are expressed as percentage-point differences: the share expecting an increase minus the share expecting a decrease. Financial confidence is measured on a 0–100 scale, where 50 represents a neutral outlook. Government funding cut percentages reflect respondents who receive government funding and gave a definitive Yes or No answer; "Not Applicable" responses are excluded.

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FINDINGS OVERVIEW

At a glance: 2026 Mid-Year Outlook

CORE INDICATORS DASHBOARD

Financial confidence (mean) **79.3** / 100 *Median: 85.0 · n=240*	Revenue net score **+37.4** pp *55.4% expect increase · n=233*	Demand-capacity gap **46.0** pp *Demand net (+79.9) vs Capacity net (+33.9)*	2026 demand increase expected **83.7** % of respondents *n=239*
2026 capacity increase expected **49.0** % of respondents *n=239*	Leader energy (mean) **3.7** / 5 *n=232*	Staff energy (mean) **3.6** / 5 *n=227*	Board engagement (mean) **66.8** / 100 *n=235*

Georgia's nonprofit sector enters mid-2026 with cautious resilience. Financial confidence is above neutral (mean 79.3, median 85.0 out of 100), and as of April 2026 a majority of organizations expect revenue to grow. More than three in four leaders saw service demand rise in 2025, and nearly nine in ten expect demand to rise again in 2026. However, only half expect their capacity to keep pace.

Surprisingly, given a tumultuous year, with a succession of federal challenges to nonprofit budgets, legality, and reputation, leaders report relatively strong energy levels, underscoring their resilience and commitment to mission impact despite ongoing setbacks.

Of note: At the time of the survey, the Georgia legislative session had just ended with a better result for nonprofits than anticipated, and the federal budget also reflected a more positive result than many feared. At the time of this report's publishing, however, some of the hard-won budget increases at the state level — which would have helped offset demand and cost increases — were rolled back by Governor Kemp, resulting in flat allocations for nonprofits. These late-breaking budget developments will likely influence confidence and outlook in the forthcoming end-of-year report.

THREE FINDINGS THAT DEFINE THIS MOMENT

1. Demand is outpacing capacity — by a widening margin. The 46-point net-score gap between expected demand growth and capacity growth is structural, not temporary.

2. Midsized organizations ($500K–$10M) are the most exposed. They carry the widest demand-capacity gaps, the highest risk of government funding cuts, an the least reserve capacity to absorb pressure. They are the workhorses of the sector.

3. Revenue confidence is situational. Elevated confidence reflects a relatively favorable FY 2026 budget environment at the federal and state level. That environment may not persist. Fundraising is the number one concern by an overwhelming margin across every segment.

WHAT WOULD ACTUALLY HELP — AT A GLANCE

- For nonprofit leaders: scenario planning, broader revenue capability, prospect development, board risk dashboards, cash timing plans.
- For funders: grant support and capacity assistance for midsized organizations, multi-year unrestricted grants, investment in revenue-generating capacity, adaptation capital with flexible use.
- For policymakers: sustained government contract funding, especially in human services, housing, workforce, and health — where midsized organizations are most exposed.

01 RESPONDENT PROFILE

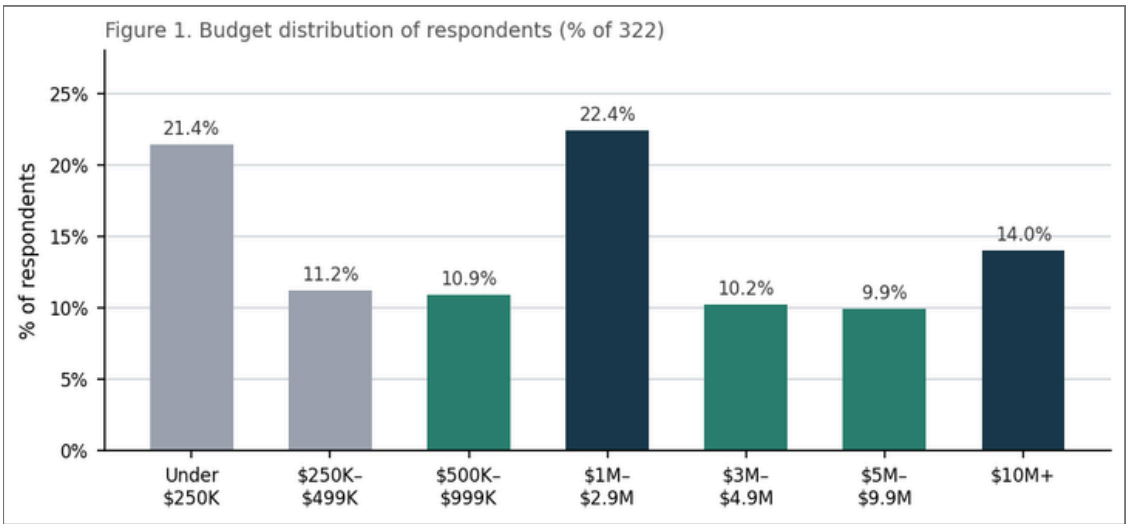
Who responded

This wave of the Forecast drew 322 responses from nonprofit leaders across Georgia. Eighty-five percent of respondents are CEOs or other senior leaders — the decision-makers closest to both strategy and daily operational reality. The remainder are senior program, finance, or development staff.

322	85.1%	43.5%	56.5%	81.7%
Total respondents	CEOs or senior leaders	Budgets under $1M	Budgets $1M+	Multi-county or statewide

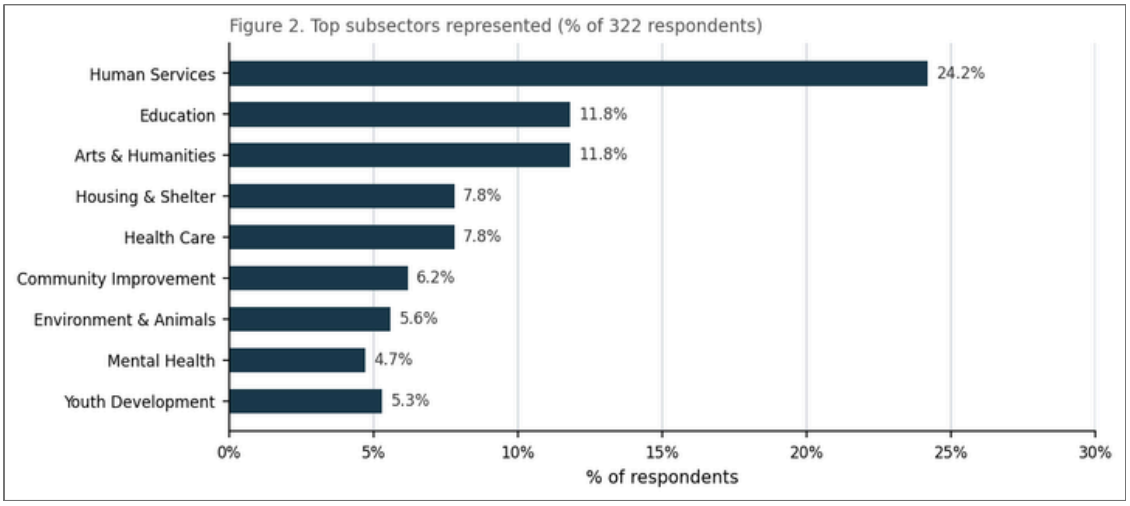
Budget Distribution

Respondents span the full budget range of Georgia's nonprofit sector. The largest single segment — 22.4% — operates with annual budgets between $1M and $2.9M, making lower-midsized organizations the most represented cohort. Together, organizations under $500K represent 32.6% of the sample, while those $1M and above account for 56.5%.



Subsector Representation

Respondents span the full budget range of Georgia's nonprofit sector. The largest single segment — 22.4% — operates with annual budgets between $1M and $2.9M, making lower-midsized organizations the most represented cohort. Together, organizations under $500K represent 32.6% of the sample, while those $1M and above account for 56.5%.



Geography and Service Scope

Fourteen percent of respondents serve a single county. The majority — 81.7% — operate across multiple counties or statewide, and 14% operate in multiple states or nationally. This geographic diversity means the Forecast captures both hyperlocal community conditions and statewide and regional trends simultaneously.

Note: Organizations serving multiple states may show different government funding exposure patterns than Georgia-only organizations — a segment worth tracking explicitly in future waves as federal policy volatility continues.

The sector is resilient — and stretched

Georgia's 322 responding nonprofit leaders enter mid-2026 with cautious resilience. Financial confidence is meaningfully above neutral — mean 79.3, median 85.0 on a 0–100 scale — and revenue expectations are net positive. Both the FY 2026 federal budget outcome and Georgia's FY 2026 state budget were more favorable for nonprofits than anticipated heading into 2026, contributing to elevated confidence scores, particularly among larger organizations with government funding exposure.

But confidence is not evenly distributed, and the context that produced it may not persist. Notably, late developments at the time of publishing this report are less favorable relative to the 2027 state budget. Governor Kemp signed two separate pieces of legislation into law impacting revenue which he offset through a series of 157 disregards, reductions, and veto actions stripping $159M from nonprofits.

> *Georgia's nonprofit sector is not just managing a funding problem. It is managing a demand growth problem — at a time when it can least afford to do so.*

The sector's central challenge is a gap between demand and capacity that is widening. More than three in four leaders saw service demand rise in 2025. Nearly nine in ten expect demand to rise again in 2026. Only half expect their capacity to keep pace. That 34.7-percentage-point gap between expected demand growth and expected capacity growth predicts real organizational choices: waitlists, slower response times, narrower eligibility criteria, and pressure to redesign services — not because missions changed, but because the math does not work.

Three Findings That Define This Moment

- **Georgia nonprofits are managing a demand growth crisis, not just a funding crisis.** 83.7% expect demand to rise in 2026; only 49.0% expect capacity to keep pace. The 34.7-point gap is structural.
- **Midsized organizations are the sector's most critical — and most stressed — layer.** Organizations with budgets from $500K to $10M show the widest demand-capacity gaps, lowest confidence relative to complexity, and highest government funding exposure. They are also the most numerous, often reaching populations and geographies on a scale that neither small nor large organizations match. Additionally, they are often subgrantees of larger organizations and/or the state, both of which rely on mid-size organizations for local reach. Consider midsized organizations the workhorses of local impact.
- **Revenue confidence is real, but situational — and may not repeat.** Elevated confidence reflects favorable FY 2026 budget outcomes at both the federal and state level. Fundraising remains the number one organizational concern. Government cuts affected 37.8% of government-funded organizations in 2025.

WHAT LEADERS SAY WOULD ACTUALLY HELP

The support leaders identify is not abstract. They are asking for fundraising infrastructure and prospect development, tools to build and expand earned revenue streams, flexible funding that allows adaptation rather than just program delivery, and boards that are genuinely engaged and financially informed. These are requests for the operational infrastructure needed to generate and manage money more effectively — in an environment that is asking more of them every year.

DATA HIGHLIGHT

Georgia nonprofits: 83.7% of leaders expect rising service demand in 2026. Only 49.0% expect capacity to keep pace. That gap is the defining challenge facing the sector right now. — 2026 Georgia Nonprofit Forecast Mid-Year Outlook #GaNonprofitForecast @Georgia Center for Nonprofits

Financial confidence is real — but unevenly distributed

Financial confidence, scored on a 0–100 scale where 50 represents a neutral outlook, averaged 79.3 (mean) across all respondents, with a median of 85.0. Nearly three in four responding organizations (71.7%) scored themselves at 75 or above — reflecting genuine sector-wide resilience.

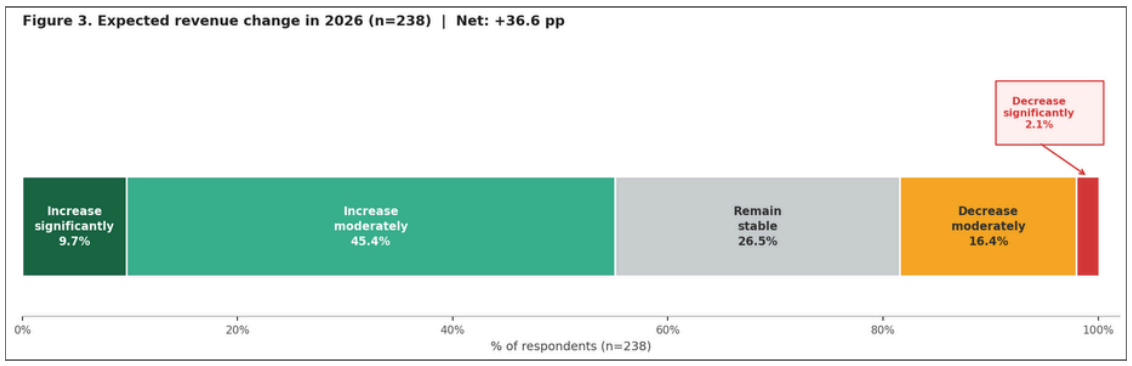
Context matters here: both the FY 2026 federal budget outcome and Georgia's FY 2026 state budget were more favorable for nonprofits than anticipated. This contributed to confidence scores — particularly among larger and upper-midsized organizations that carry more government funding exposure. Had those budget outcomes been worse, scores would likely look materially different.

IMPORTANT NUANCE REGARDING CONFIDENCE SCORES

The elevated mean and median reflect a favorable budget environment that may not persist. Organizations with significant government funding exposure — those most at risk if federal or state priorities shift — are currently showing higher confidence in part because the anticipated cuts have been smaller than feared. That structural vulnerability remains.

Revenue Expectations for 2026

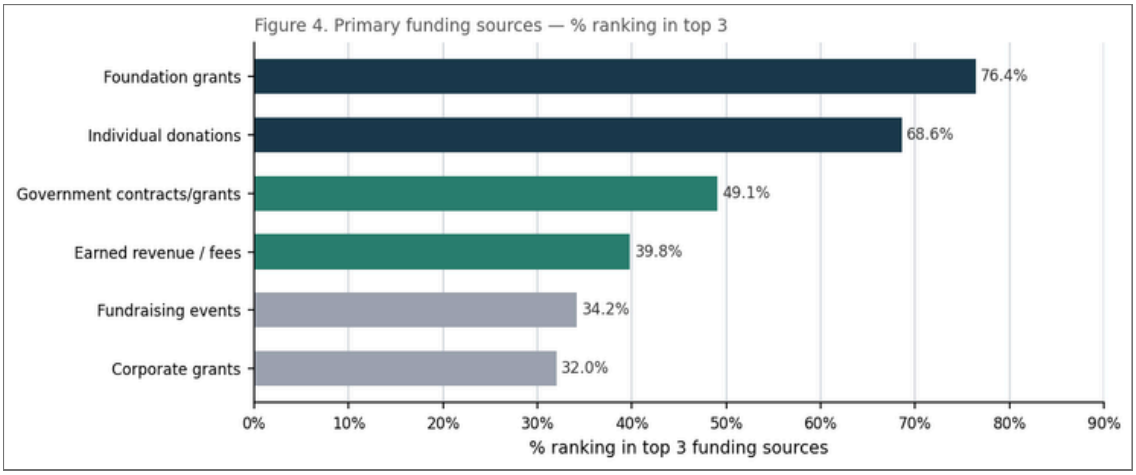
Revenue expectations are cautiously optimistic: 55.4% of leaders expect revenue to grow in 2026, 26.6% expect stability, and 18.0% expect a decline. This net-positive outlook — 37.4 points — is a meaningful signal that the sector is not broadly bracing for a revenue collapse.



But "expecting growth" is not the same as having the capacity or infrastructure to achieve it. Fundraising and revenue generation was the top concern in this survey by a wide margin — ranked first by 66.3% of respondents and in the top three by 90.0%. Many of the organizations expecting revenue growth are also the ones most worried about their ability to produce it.

Primary Funding Sources

The most common primary funding sources for responding organizations are foundation grants (76.4% ranked in top 3) and individual donations (68.6%). Government contracts and grants rank third at 49.1%. Earned revenue or program fees (39.8%), fundraising events (34.2%), and corporate grants (32.0%) round out the top sources.



The prominence of foundation and individual donor revenue underscores the reason that fundraising infrastructure is so central to organizational health. When these revenue streams are uncertain or competitive, organizations with the strongest prospect development systems have a structural advantage.

The demand-capacity gap is widening

The most consequential finding in this report is not about money — it is about scale. More than three in four responding leaders (74.6%) reported that service demand rose in 2025. An even larger share (83.7%) expect demand to increase again in 2026. Yet only half (49.0%) believe their organization has the capacity to keep pace with that growth.

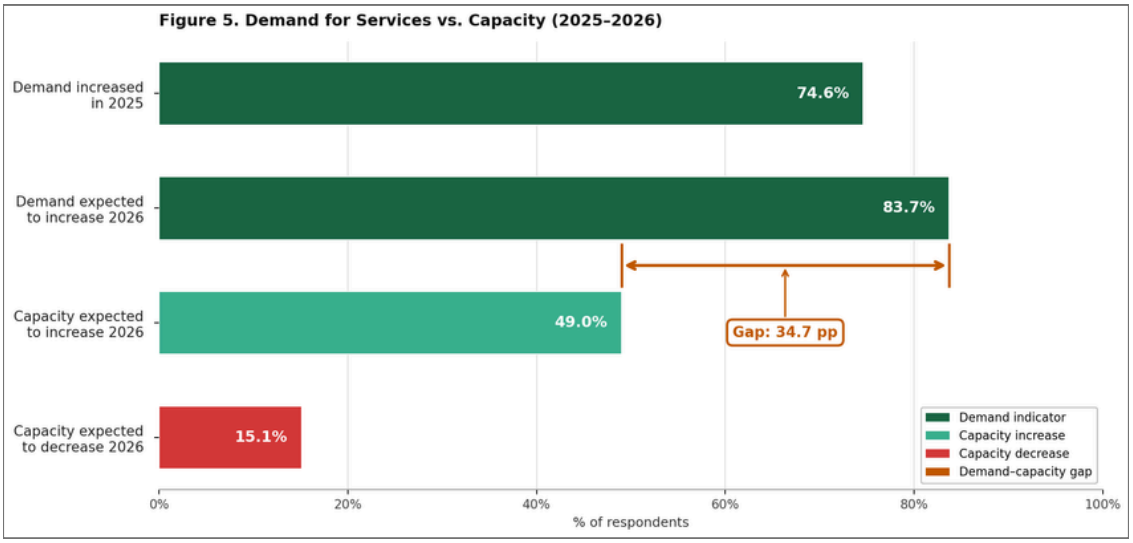


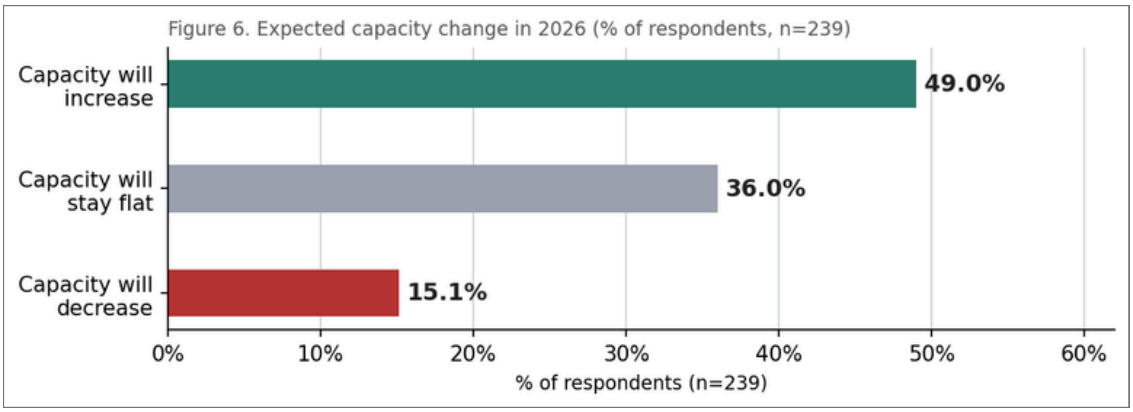
Figure 5 note: 2025 actual and 2026 projections per % of respondents, n≈236–239. Raw percentage-point gap (83.7% − 49.0%) = 34.7pp. Net-score gap (demand net 79.9 pp − capacity net 33.9 pp) = 46.0 pp; see Footnote 3.

> *Georgia's nonprofit sector is not just managing a funding problem. It is managing a demand growth problem — at a time when it can least afford to do so.*

This gap translates directly into difficult organizational decisions: maintaining waitlists, narrowing program eligibility, slowing response times, delaying hiring, and designing services that fit within constrained capacity rather than matching community need. Organizations are making triage decisions at scale.

Capacity Expectations by Direction

Broken out by direction, the capacity picture for 2026 looks like this: Nearly half (49.0%) of respondents expect their capacity to increase, 36.0% expect it to remain flat, and 15.1% expect it to decrease. The 34.7-point demand-capacity gap is driven not only by the large share of organizations whose capacity will stay flat or decline, but by the magnitude of the demand growth they are being asked to absorb.



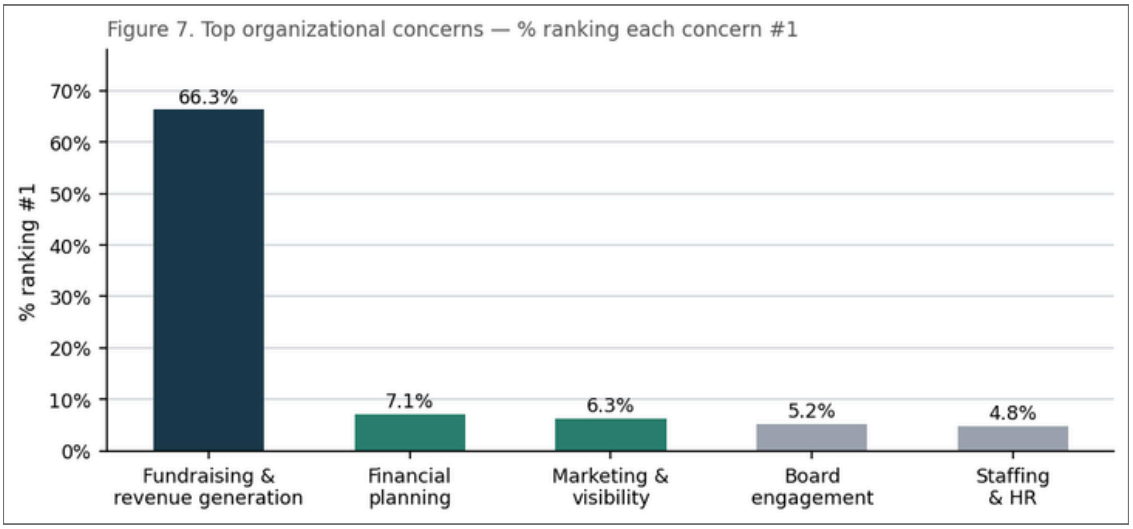
For the 15.1% expecting a capacity decrease — roughly 1 in 7 organizations — the combination of rising demand and shrinking capacity is a recipe for significant service disruption in 2026. These organizations are concentrated in the midsized budget range and in subsectors with higher government funding dependency.

DATA HIGHLIGHT

Georgia nonprofits: 83.7% of leaders expect rising service demand in 2026. Only 49.0% expect capacity to keep pace. That gap is the defining challenge facing the sector right now. — 2026 Georgia Nonprofit Forecast Mid-Year Outlook #GaNonprofitForecast @Georgia Center for Nonprofits

What keeps leaders up at night

The Forecast asks leaders to rank their top organizational concerns. The results are unambiguous: fundraising and revenue generation dominated every other category by a wide margin.

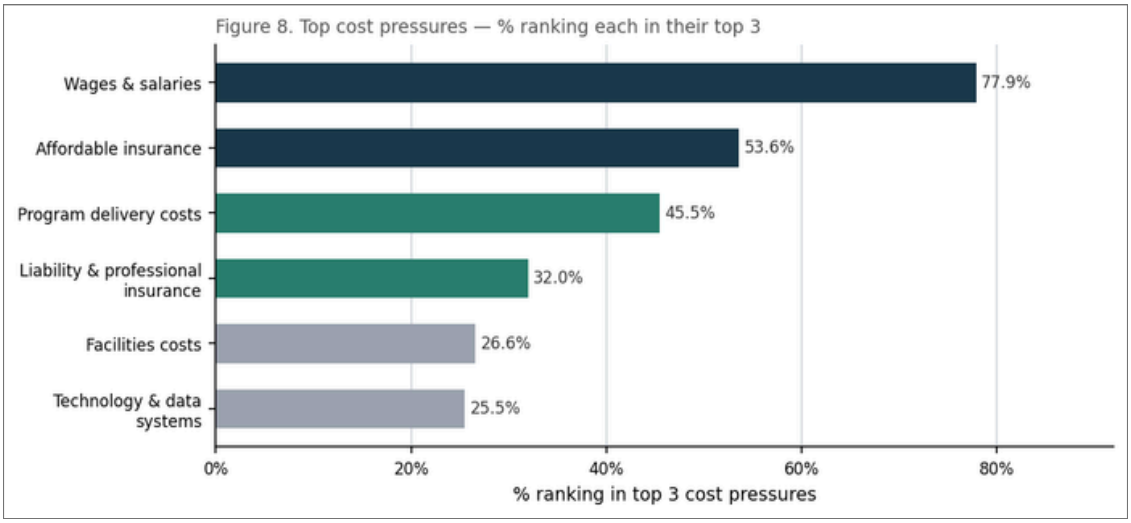


Fundraising and revenue generation were ranked number one by 66.3% of respondents and in the top three by 90.0%. The gap between this concern and the next-highest — financial planning at 7.1% and marketing and visibility at 6.3% — is not a margin; it is a chasm. No other single factor comes close to the level of concern that leaders attach to their ability to generate the resources needed to operate and grow.

This concentration of concern around fundraising is significant because it spans organization sizes, subsectors, and geographies. Whether an organization is a small arts group or a large human services provider, the capacity to generate and sustain revenue is the defining organizational challenge of this moment.

Cost Pressures

Alongside revenue concerns, leaders identify significant and rising cost pressures — particularly in structural line items that rise regardless of revenue performance.



Wages and salaries are the top cost pressure by a wide margin, ranked in the top three by 77.9% of respondents. This reflects both market-rate pressures for qualified staff and the sector's acute sensitivity to compensation competition with for-profit and government employers.

Affordable insurance — covering both individual and group coverage — ranks second at 53.6%. This captures a structural challenge that affects organizations of all sizes: The cost of providing competitive health and benefits packages continues to rise faster than most revenue sources, squeezing the margin between what organizations can afford to pay and what the labor market demands.

Program delivery costs (45.5%), liability and professional insurance (32.0%), technology and data systems (25.5%), and facilities costs (26.6%) round out the top pressures. Each of these represents a structural cost that grows with organizational scale — meaning midsized organizations often face proportionally higher total pressure than both smaller peers and large organizations with more cost-absorption capacity.

Cuts are widespread — and expected to continue

Government contracts and grants are a top-three funding source for 49.1% of responding organizations. Among those organizations — a large and critical segment of the sector — the impact of government funding shifts is direct and immediate.

Among organizations that receive government support, **49.7% experienced cuts or reductions in 2025 — and 44.2% expect further reductions in 2026.**

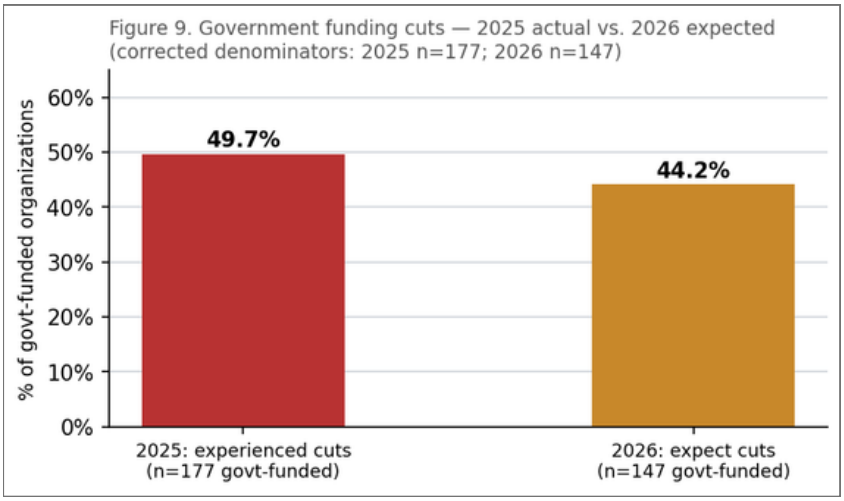


*Figure 9 note: Responses among government-funded organizations. * 2025: n=177 (88 Yes, 89 No). 2026: n=147 (65 Yes, 82 No). Excludes "Not Applicable" responses. See Footnote 2.*

The 44.2% figure is lower than that recorded in similar surveys over past years, suggesting some improvement in the government funding environment — consistent with the relatively favorable budget outcomes that contributed to elevated financial confidence scores in April 2026. However, more than two in five government-funded organizations still anticipate cuts in the year ahead.

Exposure Varies Sharply by Budget Size

The distribution of government funding exposure across budget segments tells a critical story about differential risk within the sector.

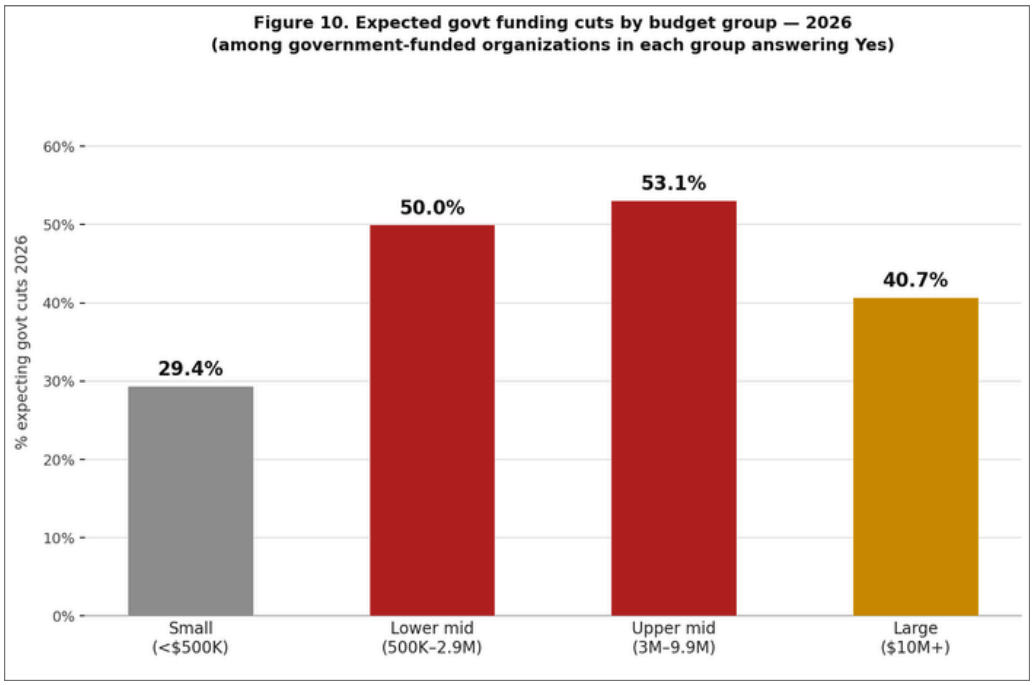


Figure 10 note: Only regarding responses among government-funded organizations. Small n=105; Lower midsized n=107; Upper midsized n=65; Large n=45.

Small organizations — those under $500K — show materially lower government funding exposure (29.4% expecting cuts) compared to all other segments. This partly reflects the nature of their funding mix: Smaller organizations are more likely to rely on individual donors and community grants than on government contracts requiring administrative capacity and compliance infrastructure.

Midsized and large organizations face substantially higher exposure to cuts than small organizations. For organizations in human services, housing, health-related fields, and workforce development — the subsectors most likely to hold government contracts — these reductions translate directly into reduced community-level service delivery capacity.

THE SYSTEMIC RISK IN GOVERNMENT FUNDING EXPOSURE

Government funding cuts do not only affect the organizations that lose contracts directly. They ripple through the sector: Large and midsized organizations that lose government contracts may reduce subcontracts to smaller partners, cut staff who move to other organizations, and reduce their presence in service networks that multiple organizations rely on. The direct exposure numbers understate the systemic risk.

Resilient — but strained

Three indicators capture the human side of organizational health: leader energy, staff energy, and board engagement. Across all three, the sector shows meaningful resilience — but with patterns of strain that deserve attention.

3.7 / 5	3.6 / 5	66.8 / 100
Leader energy (mean)	Staff energy (mean)	Board engagement (mean)

Leader and Staff Energy

Leader energy averages 3.7 out of 5.0, and staff energy averages 3.6 — both above the midpoint but below the high end of the scale. This reflects a workforce that is committed and continuing to deliver, but carrying accumulated pressure from sustained demand, cost volatility, and funding uncertainty.

The low-energy share deserves specific attention: 13.8% of responding leaders rated their own energy at 1 or 2 out of 5, and 10.6% rated their staff energy at the same low level. In a sector where organizational effectiveness is tightly tied to the people doing the work, a 1-in-10 share of organizations in which either leader or staff energy is critically low is a meaningful signal — not a statistical footnote.

Energy levels vary by budget size. Midsized organizations — lower and upper combined — show the most strain: lower average energy scores for both leaders and staff, concentrated low-energy outliers, and limited staffing depth to absorb burnout. These organizations are the ones most likely to lose key staff to burnout or attrition in the coming year if conditions do not improve.

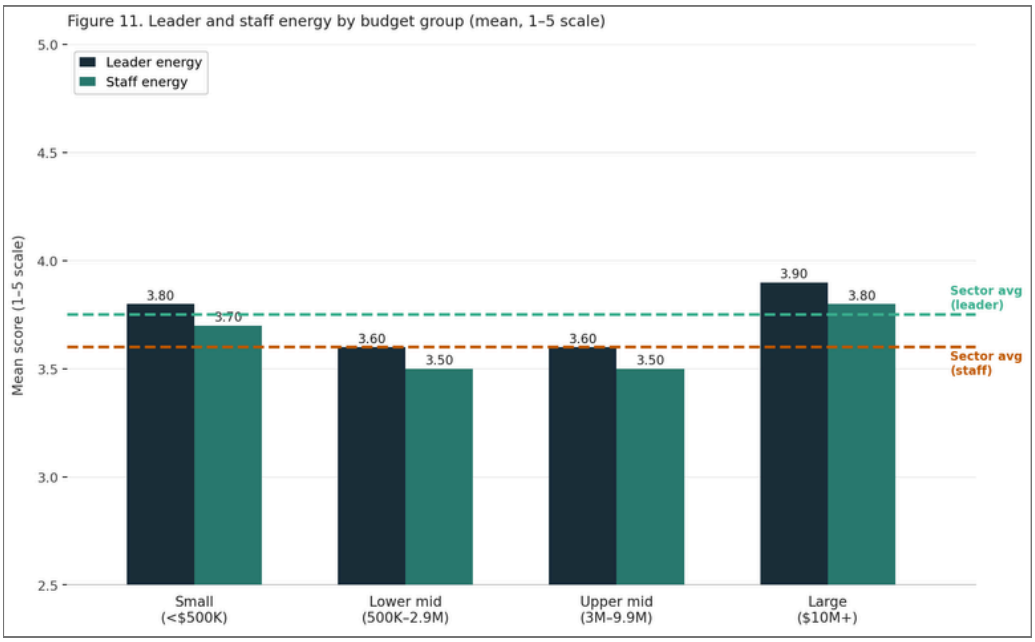


Figure 11 note: Dashed lines = approximate sector average.

Board Engagement

Board engagement, measured on a 0–100 scale, averages 66.8 across all respondents. This places the average board in the "moderate engagement" range — meaningfully above neutral, but well short of the high-performing governance that leaders are seeking.

Board engagement is notably higher for large organizations (approximately 79) compared to small and lower-midsized organizations (approximately 60–63). This gap is partly structural: Larger organizations are more likely to have staff support for governance functions, dedicated development officers who manage board relationships, and formal board development programs. Smaller organizations often rely on volunteer board members with limited professional support.

The pattern matters beyond governance quality alone. Boards that are engaged and financially informed are better positioned to support revenue generation, activate networks for fundraising, provide strategic stability during transitions, and make effective use of their organizations' financial risk dashboards. The boards that need the most engagement support are often in the organizations least equipped to provide it.

DATA HIGHLIGHT

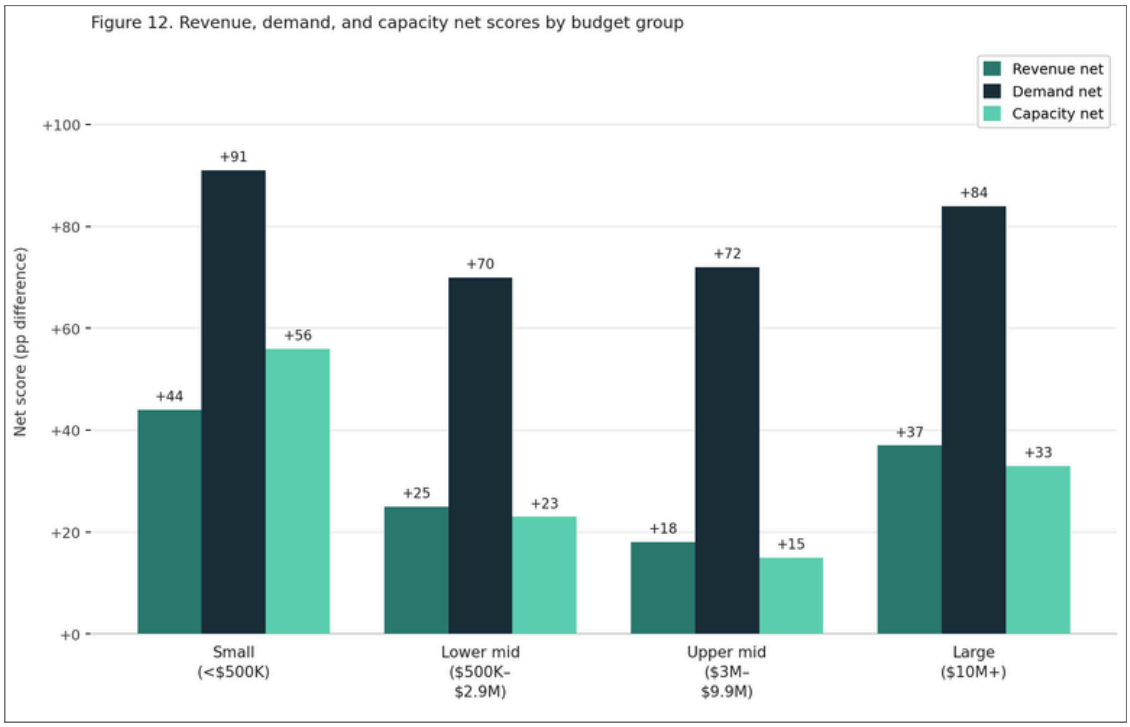
1 in 10 Georgia nonprofit leaders rate their staff energy at critically low levels. In a sector built on people, that's not a footnote — it's a warning. — 2026 Georgia Nonprofit Forecast Mid-Year Outlook #GaNonprofitForecast @Georgia Center for Nonprofits

Budget group comparison

The segment data reveals consistent and important patterns across the four budget groups tracked in this report. Net scores — calculated as the percentage expecting an increase minus the percentage expecting a decrease — provide a compact summary of net sentiment across revenue, demand, and capacity.

Budget Group	n	Confidence	Revenue Net	Demand Net	Capacity Net	Expecting Govt Cuts in 2026
Small (<$500K)	105	75.6	+44 pp	+91 pp	+56 pp	29.4%
Lower midsized ($500K–$2.9M)	107	81.0	+25 pp	+70 pp	+23 pp	50.0%
Upper midsized ($3M–$9.9M)	65	79.0	+18 pp	+72 pp	+15 pp	53.1%
Large ($10M+)	45	84.8	+37 pp	+87 pp	+33 pp	40.7%

Net score = % expecting increase minus % expecting decrease. Confidence on 0–100 scale (50 = neutral). Government cuts expectation figures are drawn from respondents in each group answering Yes or No ("Not Applicable" responses excluded); see Footnote 2.



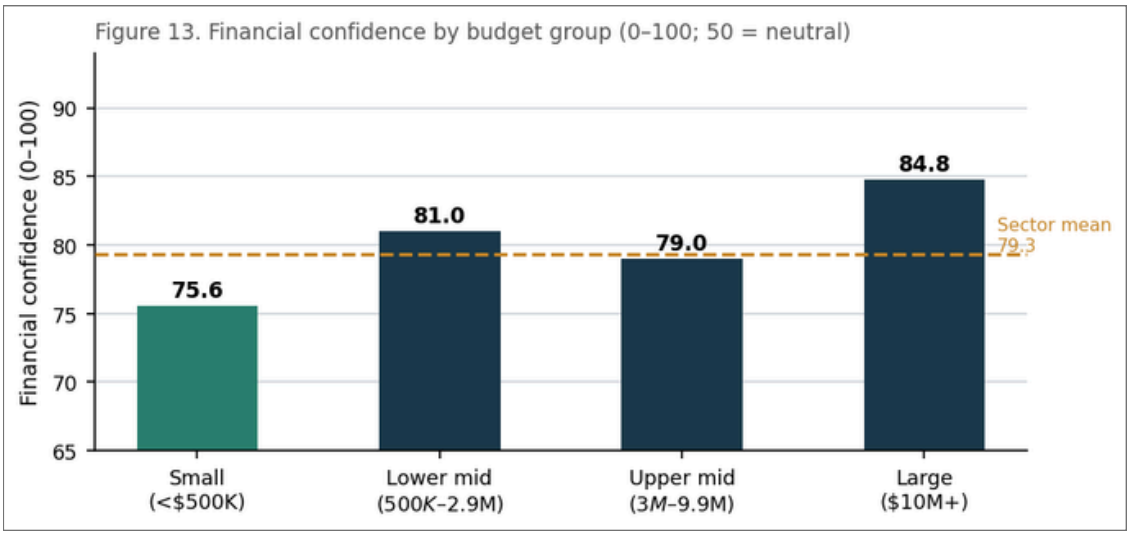


Figure 13 note: Dashed line = sector mean 79.3.

Small Organizations (<$500K)

Small organizations (n=105) show the highest demand net score (1.43), reflecting significant service pressure — but also the highest capacity net (0.75), suggesting more proportional ability to adapt. Their confidence (75.6) is the lowest of any group, likely reflecting the structural fragility of thin revenue bases with limited reserve capacity. Government funding exposure is much lower (29.4% expecting cuts), providing some insulation from federal and state budget volatility.

Small organizations' combination of high demand growth and reasonable capacity growth suggests they can expand within their existing models — but may be doing so at the cost of leader and staff reserves. The 1-in-10 low-energy share sector-wide is disproportionately concentrated here and in lower-midsized organizations.

Lower Midsized Organizations ($500K–$2.9M)

Lower-midsized organizations are the single largest segment (n=107) and show a pattern of moderate confidence (81.0), moderate revenue outlook (net 0.38), and high demand pressure (net 1.04), but low capacity growth expectations (net 0.25). This is the widest demand-capacity spread in the dataset: Organizations in this range expect demand to rise significantly while having limited confidence in their capacity to match it.

Government funding exposure is materially higher than for small organizations (50.0% expecting cuts), and these organizations often run complex multi-program operations without the administrative depth of larger organizations. They are stretched across multiple funding streams, compliance requirements, and programmatic commitments simultaneously.

Upper Midsized Organizations ($3M–$9.9M)

Upper-midsized organizations (n=65) demonstrate demand-capacity dynamics that are similar to lower-midsized groups, with a demand net of 1.04 and a capacity net of only 0.19 — the lowest in the dataset. They carry meaningful government funding exposure (53.1% expecting cuts) and confidence that sits in

the middle of the range (79.0). Revenue expectations (net 0.20) are the lowest of any segment,suggesting the most constrained outlook on revenue growth.

These organizations operate at a scale that requires sophisticated financial management, grant compliance, HR systems, and board governance — but often lack the reserves, staffing depth, and risk management infrastructure of truly large organizations. They are the most vulnerable to a simultaneous demand surge and funding reduction.

Large Organizations ($10M+)

Large organizations (n=45) show the highest confidence (84.8) and meaningful government funding exposure (40.7% expecting cuts) — reflecting both their strength and their reliance on government contracts. Expectations for revenue (net 0.43) and capacity (net 0.43) are well-matched, suggesting that large organizations have more latitude to align capacity with demand than their midsized peers. Demand expectation remains elevated (net 1.17), but the capacity to respond is stronger.

Large organizations serve as anchors for the sector: They often hold master contracts, subcontract to smaller organizations, provide shared services, and employ significant numbers of sector workers. Their financial health has ripple effects throughout the networks they anchor.

THE MIDSIZED SQUEEZE — A STRUCTURAL WARNING

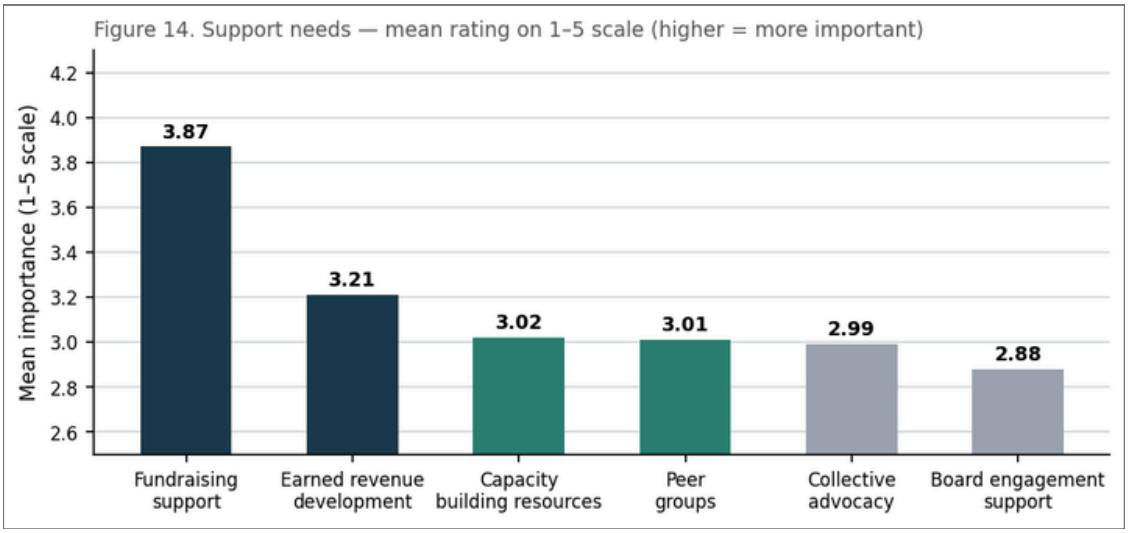
The consistent pattern across lower and upper midsized organizations is not a coincidence. It reflects a structural position in the sector: These organizations are large enough to run complex programs and hold government contracts, but not large enough to carry the reserves, staffing redundancy, and governance infrastructure needed to absorb volatility. They sit in the most exposed position in the sector, and the data shows it clearly across every indicator.

Community Improvement and Economic Development

Community improvement and economic development organizations — a category that includes workforce development providers, financial empowerment programs, and community organizing efforts — show a demand growth expectation net of approximately 1.00, but a capacity growth expectation net of approximately 0.18. At a time when Georgia has made economic mobility a stated policy priority, the organizations most directly aligned with that goal are among the least positioned to scale their work. The disparity between stated public priorities and organizational capacity deserves direct attention from funders and policymakers.

What would actually help

Leaders do not lack clarity about what they need. When asked to rate the importance of various types of support, the results are concrete and operational — not abstract capacity-building concepts.



Fundraising Support Leads — by a Significant Margin

Fundraising assistance rated highest at 3.87 out of 5.0. Twenty-one percent of leaders ranked fundraising and prospect development as their single most-needed support right now. The pattern is consistent with responses about leaders' top concerns: the same organizations most worried about revenue generation are the ones most hungry for practical support in building that capacity.

What leaders mean by fundraising support is specific: prospect identification and research, donor cultivation strategies, major gifts development practices, case-for-support writing skills, and the staffing and systems infrastructure needed to sustain a strong development program. This is not a request for unrestricted grants alone — it is a request for the operational capability to generate sustainable revenue.

Earned Revenue Development

Interest in earned revenue support was rated second, at 3.21. This reflects a growing interest across the sector in building and expanding non-donation income streams — fees for service, social enterprise revenue, licensing, consulting, and other earned revenue models. For organizations facing increasing uncertainty in grant and government funding, earned revenue represents a path toward financial stability that is not subject to donor or funder approval cycles.

Expanding revenue-generating capability across the full organization — not concentrating it in a single fundraising function — is the core strategic shift many leaders are seeking. When the full burden of revenue generation falls on development staff, the organization's ability to identify and pursue new revenue streams is structurally constrained.

Capacity Building Resources

Capacity building resources (3.02), peer groups (3.01), and collective advocacy (2.99) cluster closely together as mid-tier support needs. This clustering suggests leaders value the combination of skills development, peer learning, and collective voice — but see them as secondary to the immediate revenue and operational challenges.

Board engagement support (2.88), while rated lowest of the six categories, remains above the midpoint and reflects the governance challenge identified throughout the sector — particularly in smaller and lower-midsized organizations where board development capacity is most limited.

MOST URGENT RIGHT NOW — TOP-RANKED SUPPORT NEEDS

21.1% of leaders ranked fundraising support and prospect development as their single most-needed support. 41.8% ranked more direct funding in their top three needs. 12.9% ranked having an engaged board that is clear on its role as their top need. These are not competing priorities — they are reinforcing ones: Organizations that can raise more money, have boards that help them do it, and build multiple revenue streams are the ones best positioned to manage through the conditions this report describes.

10 IMPLICATIONS & RECOMMENDED ACTIONS

What the data calls for

This report describes a sector under sustained, multi-directional pressure — one where the line between stability and crisis is narrowing. Demand is rising faster than capacity. Cost structures are growing faster than revenue in many organizations. Government funding uncertainty is creating risk across a large swath of the sector. And the organizations best positioned to absorb that pressure — large institutions with strong boards and reserves — are not the ones closest to the communities most affected.

The following recommendations are organized by audience and grounded directly in what the data shows.

For Nonprofit Leaders

- **Run a two-scenario operating plan.** Define your organization's specific responses if revenue shifts ±10–15% and demand increases 10–20%. Most organizations know their base case; far fewer have a defined stress-case response.
- **Expand revenue-generating capability beyond development staff.** Equip or cross-train program, communications, and operations staff to identify and support revenue opportunities. When revenue generation is concentrated in one role or function, the organization's exposure to staff departure or reduction in force is severe.
- **Build a focused high-probability prospect list and work it weekly.** Assign ownership, set revenue targets for each relationship, and track movement. A focused prospect list with clear ownership consistently outperforms a broad list with no accountability.
- **Build a board-facing risk dashboard.** Include 5–7 indicators — such as cash on hand, revenue vs. plan, demand levels, staffing capacity, or pipeline health — with defined response triggers. Boards that receive proactive risk data make better decisions and are more engaged.
- **Create a six-month liquidity and cash timing plan.** Map inflows against payroll, benefits, and fixed costs. Set a minimum cash threshold and define specific actions that trigger when you approach it.
- **Clarify the board's specific role in revenue and strategy.** Define expectations for introductions, prospecting support, and strategy review. Boards that know exactly what is expected of them are more likely to deliver it.

For Funders

- **Explicitly fund revenue-generating capacity — not just programs.** Underwrite development staff, grant writing support, prospect research tools, CRM systems, and board development. These are investments in organizational sustainability, not overhead.
- **Prioritize midsized organizations as a distinct investment segment.** The $500K–$10M range carries the widest demand-capacity gaps, the highest organizational complexity relative to resources, and the greatest structural vulnerability. Targeted funding pools for this segment would address the most acute stress in the sector.
- **Increase unrestricted funding with multi-year commitments.** Two-to-three-year general operating support gives organizations the runway to plan, hire, build systems, and make the investments needed to adapt — not just maintain.

- **Provide "adaptation capital" with flexible use parameters.** Fund restructuring, technology, staffing realignment, program redesign, or short-term capacity surges. When the environment changes faster than grant cycles allow, organizations need capital that can move with it.
- **Encourage and resource board and leadership alignment.** Fund governance strength as core capacity building — not as a secondary add-on to a program grant. Effective boards are a force multiplier for everything else the funder is investing in.
- **Coordinate with peer funders around shared grantees.** Align reporting requirements, grant cycles, and expectations to reduce administrative burden. Organizations that spend less time managing funder relationships spend more time on the mission.

Georgia's nonprofit sector remains essential, adaptive, and mission-driven — but increasingly stretched. When nonprofits are stronger, communities are more resilient. When they are strained, service systems weaken.

The 2026 Mid-Year Forecast captures a sector at a defining inflection point. The organizations responding to this survey are doing work that matters — in communities that need it — under conditions that are testing their limits. The data points to where the pressure is greatest, which organizations face the steepest climbs, and what kinds of support would actually make a difference.

GCN will continue to track these conditions across future waves of the Forecast. If you have questions about the data, are interested in supporting the organizations described here, or want to connect with GCN's capacity-building programs, visit gcn.org.

HOW GCN CAN HELP

Capacity-building programs from GCN

Revenue Strategy Cohorts
In four working sessions, your leadership team will assess your current funding mix, identify opportunities to expand promising revenue channels, pinpoint capacity gaps relative to harnessing those opportunities, and build a concrete implementation plan.
- Cohort starting July 14
- Cohort starting October 6

Strategic Options Labs
For organizations where the model itself needs to change — whether that means rightsizing operations, exploring collaboration, or redesigning programs to match current demand — Strategic Options Labs provide consultant-led guidance through a structured decision-making process. Each lab produces a board-ready plan with defined next steps.
- Collaborate Strategic Options Lab
- Reinvent Strategic Options Lab
- Reorganize Strategic Options Lab
- Exit Strategic Options Lab

Governance Consulting and Member Learning Opportunities
An informed, engaged board is a powerful tool for navigating uncertainty. GCN's consulting and member sessions help boards move from general oversight to active strategic partnership — including building risk dashboards, clarifying fundraising roles, and strengthening board-staff alignment around revenue and mission sustainability. Among our upcoming member-exclusive sessions:
- Fundraising Expectations for Nonprofit Boards
- Orientation to Nonprofit Board Service
- Nonprofit Board Assessment, Recruitment, and Engagement
- Strategic Planning with Your Nonprofit Board

Nonprofit University Fundraising and Finance Certificates
Closing gaps in fundraising capability and financial planning starts with the right training. GCN certificate series give development and finance staff practical, immediately applicable skills across the full fundraising and revenue spectrum. Among our offerings:
- Certificate of Capital Campaigns
- Certificate of Grant Writing and Management
- Certificate of Accounting Essentials
- Certificate of Accounting and Finance Operations
- Certificate of Fundraising Essentials
- Certificate of Digital Fundraising
- Certificate of Strategic Storytelling for Nonprofits

ABOUT GCN

Georgia Center for Nonprofits

The Georgia Center for Nonprofits (GCN) is the most comprehensive provider of sector-specific solutions and strategy support in the Southeast, and the largest association for nonprofits in Georgia. GCN creates thriving communities by helping nonprofits succeed.

More than ever, the nonprofit sector needs to promote its impact, position its work with other sectors and the public, and protect its capacity and resources. GCN is the place where industry leaders convene, champion our industry, and create impact together.

Connections that matter

GCN's portfolio of events and programs creates opportunities to connect with peers — as well as philanthropic, business, and government leaders — to advance nonprofit business priorities.

Programs that inspire

Our comprehensive learning and development programs and certificates are designed to grow strong nonprofit and civic leaders.

Advocacy that amplifies

We proactively advance policy initiatives and work with members across the state to influence issues that affect our sector's work and impact.

Services that support

GCN offers support to nonprofits of all sizes through access to benefits like the member helpline, HR services, insurance, discounted job postings, continuing education, and more.

JOIN GCN

Join your peers today and make a difference beyond your organization. GCN membership connects you to the people, programs, and resources that help Georgia nonprofits thrive.

Nonprofit members get access to exclusive programs, peer networks, HR services, training discounts, early notice of funding roundups, and more.

Business members can connect your services with the nonprofit sector as a trusted partner and resource provider.

▸ Become a GCN Member

METHODOLOGY & FOOTNOTES

1 Financial confidence is measured on a 0–100 scale, where 50 represents a neutral outlook. Scores above 50 indicate net-positive financial outlook; scores below 50 indicate net concern.

2 Government funding cut percentages: 2025 actual = 88 Yes / 89 No = 49.7% Yes (n=177 respondents giving a definitive answer; 56 marked Not Applicable). 2026 expected = 65 Yes / 82 No = 44.2% Yes (n=147). Denominator locked at Yes+No only for all future waves.

3 Net score = % expecting increase minus % expecting decrease (pp difference). Demand-capacity gap: (a) raw = 34.7 pp (83.7% − 49.0%); (b) net-score = 46.0 pp (demand net 79.9 pp − capacity net 33.9 pp). Method (b) is the longitudinal standard going forward.

Longitudinal template note: This report follows Georgia Nonprofit Forecast (GNF) template version 1.0. For future-wave comparability, the Core Indicators Dashboard (eight metrics), budget group definitions, net score calculation method, and section numbering should remain consistent.