

**Date:** February 18, 2025

**To:** Melissa Manriquez, Clerk of the Pima County Board of Supervisors

**From:** Supervisor Jennifer Allen  
Pima County Supervisor for District 3 and Chair of the Pima County Board of Supervisors  
33 N. Stone Ave, 11<sup>th</sup> Floor  
Tucson, AZ 85701

**Re:** **Agenda/Addendum Item**

Dear Melissa,

Please place the following item on the Board of Supervisors' agenda for March 3, 2026.

**Discussion/Direction/Action:** Review of the Community Foundation of Southern Arizona's report "Southern Arizona Funding Impacts: A Survey of Southern Arizona Nonprofit Organization."

A presentation will be made by CFSA CEO Jenny Flynn. We request a time certain of 10:30. Please include the attached report.

**Background:** Since January 2025, dozens of executive orders and federal actions have begun to impact the nonprofit sector's ability to access anticipated funds, conduct programming, and meet the evolving needs of the communities it serves.

To better understand these impacts in the southern Arizona region, the Community Foundation for Southern Arizona (CFSA) developed a regional survey to help gather information that we believe is critical to understanding the evolving needs of our nonprofit sector. This survey was distributed widely via email and CFSA's social media channels between September 1 and September 30, 2025. While organizations were given the option of providing contact information should they have an interest in speaking to the foundation further about current impacts, responses are reported anonymously. The following report reflects 140 responses by organizations based in the southern Arizona region.

The survey responses from Southern Arizona nonprofits reveal that government funding reductions are already creating operational strain for many organizations, with deeper impacts expected over the coming year. While concern levels are high across the sector, the severity of impacts varies significantly by budget size, geography, focus area, and populations served. The southern Arizona region is defined by CFSA as areas in Arizona south of the Gila River including Cochise County, Graham County, Greenlee County, Pima County, Santa Cruz County, Yuma County, and portions of Pinal County, as well as tribal communities south of the Gila River.

A photograph of several tall saguaro cacti against a sunset sky. The sky transitions from a pale blue at the bottom to a warm orange and yellow at the top, with some light clouds. The cacti are green and have a ribbed texture. The bottom portion of the image is overlaid with a solid blue gradient.

# SOUTHERN ARIZONA FUNDING IMPACTS

A survey of Southern Arizona nonprofit organizations



Community Foundation  
for Southern Arizona

## Community Foundation for Southern Arizona

The Community Foundation for Southern Arizona (CFSA) has been dedicated to making Southern Arizona a better place for all since 1980. As the region's largest grantmaker, CFSA serves Pima and Santa Cruz counties while supporting a broader seven-county region—including Cochise, Yuma, Graham, Greenlee, and Pinal counties—as well as six tribal nations: Cocopah, Fort Yuma Quechan, Gila River, Pascua Yaqui, San Carlos Apache, and Tohono O'odham.

CFSA connects donors to the causes they care about, serving as a vital link between philanthropy and the community's evolving needs. By bringing together individuals, families, businesses, and nonprofits, CFSA creates lasting solutions to the region's challenges, ensuring that investments are driven by those who best understand the needs of our communities.

### Survey Partner Acknowledgement

We are grateful to SVP Tucson, The Marshall Foundation, and the office of Pima County District 3 Supervisor Jennifer Allen for their support and partnership toward the development and distribution of this survey.

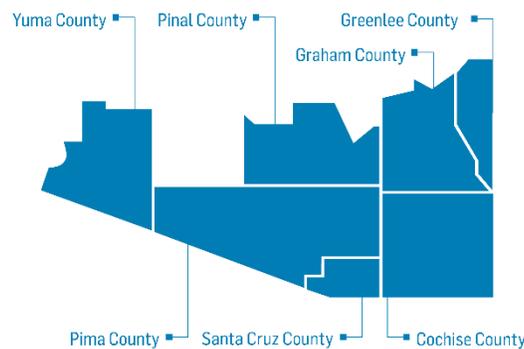


## Overview and background

Since January 2025, dozens of executive orders and federal actions have begun to impact the nonprofit sector's ability to access anticipated funds, conduct programming, and meet the evolving needs of the communities it serves.

To better understand these impacts in the southern Arizona region, the Community Foundation for Southern Arizona (CFSA) developed a regional survey to help gather information that we believe is critical to understanding the evolving needs of our nonprofit sector. This survey was distributed widely via email and CFSA's social media channels between September 1 and September 30, 2025. While organizations were given the option of providing contact information should they have an interest in speaking to the foundation further about current impacts, responses are reported anonymously. The following report reflects 140 responses by organizations based in the southern Arizona region.

The southern Arizona region is defined by CFSA as areas in Arizona south of the Gila River including Cochise County, Graham County, Greenlee County, Pima County, Santa Cruz County, Yuma County, and portions of Pinal County, as well as tribal communities south of the Gila River.



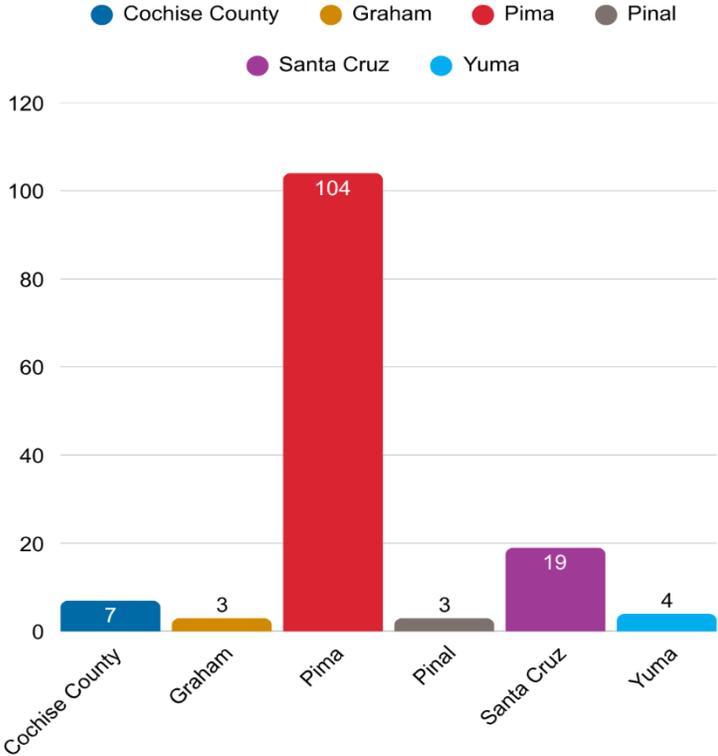
## Survey Highlights

- Survey responses from Southern Arizona nonprofits reveal that government funding reductions are already creating operational strain for many organizations, with deeper impacts expected over the coming year. While concern levels are high across the sector, the severity of impacts varies significantly by budget size, geography, focus area, and populations served.
- Mid- to large-size nonprofits — those with budgets **above \$500,000** — are experiencing the strongest disruptions in revenue.
- Nonprofits based in Santa Cruz County, Yuma County, and Cochise county report both higher concern and higher impact rates.
- The majority of nonprofits list their primary source of funding as Private Donations/ Fundraising, with their secondary source of funding as Local/State/Federal Government grants.
- The scale of impact ranges from no effect to over 10,000 individuals affected per organization.
- The message from respondents is clear: nonprofits remain deeply committed, but the safety net is fraying.

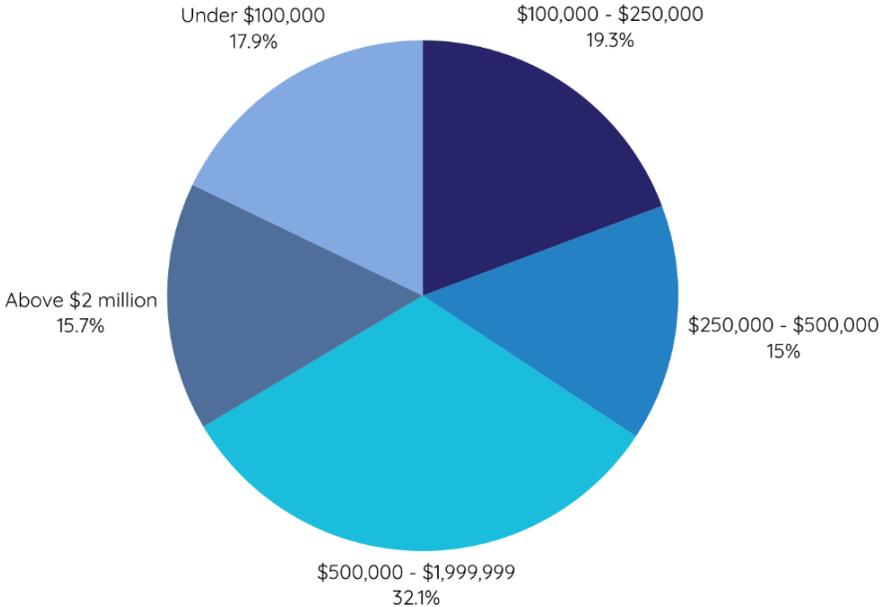
## Profile of Respondents – Geographic Region & Budget Size

Nonprofits from across southern Arizona responded, with the exception of Greenlee County, which had no responses. 95% of respondents categorized themselves as 501c3 nonprofits. 56% of respondents are nonprofits who have been in operation for 20+ consecutive years, 21% have been in operation between 10-19 years and 23% have been in operation under 10 years.

**Figure 1: Survey respondents by county**



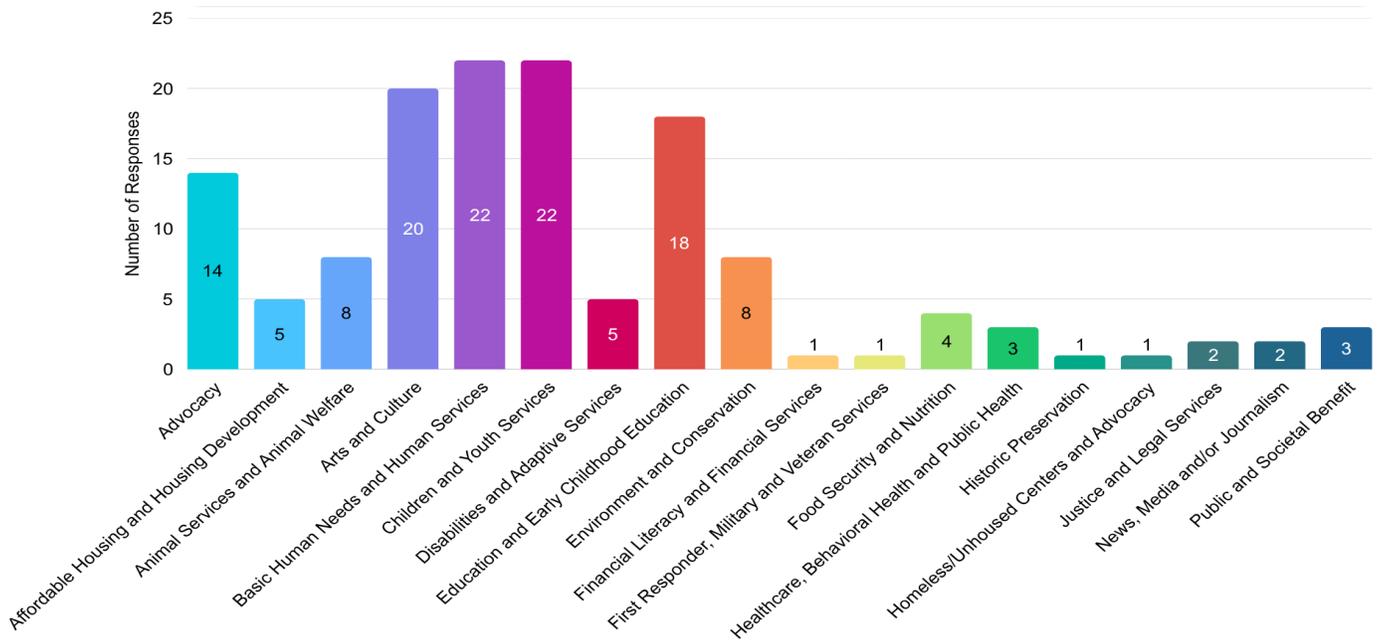
**Figure 2: Survey respondents by budget size**



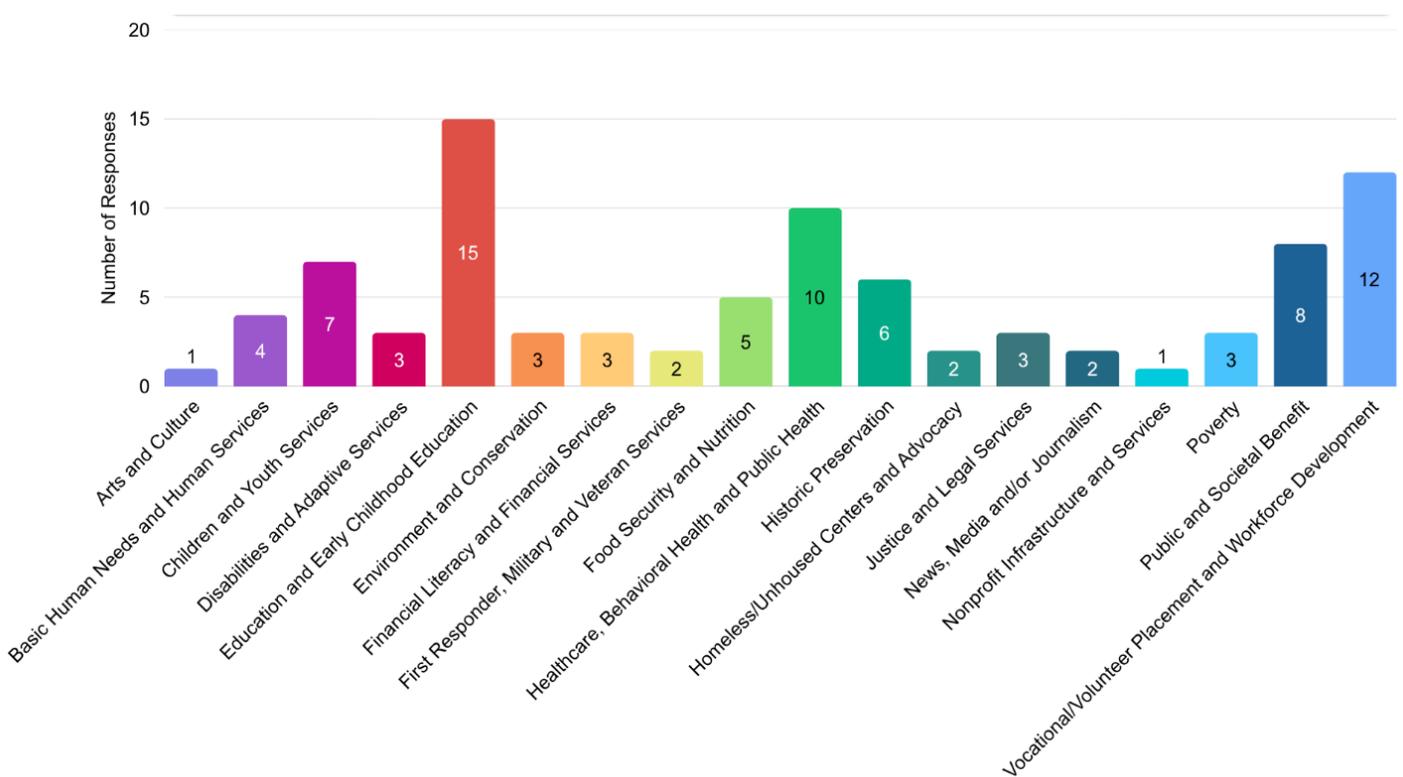
## Profile of Respondents – Primary Focus Area

Respondents were asked to list their primary area of focus and, if applicable, a secondary focus area. Respondents consist mostly of organizations addressing basic human needs and services for children and youth, with some focusing on additional long-term capacity-building strategies like education, workforce readiness, and health. Other largely represented groups, such as Arts and Culture organizations, commonly listed a secondary focus of Historic Preservation or Children and Youth. Advocacy organizations often listed a secondary focus identifying the area of advocacy.

**Figure 3: Survey respondents by primary focus area**



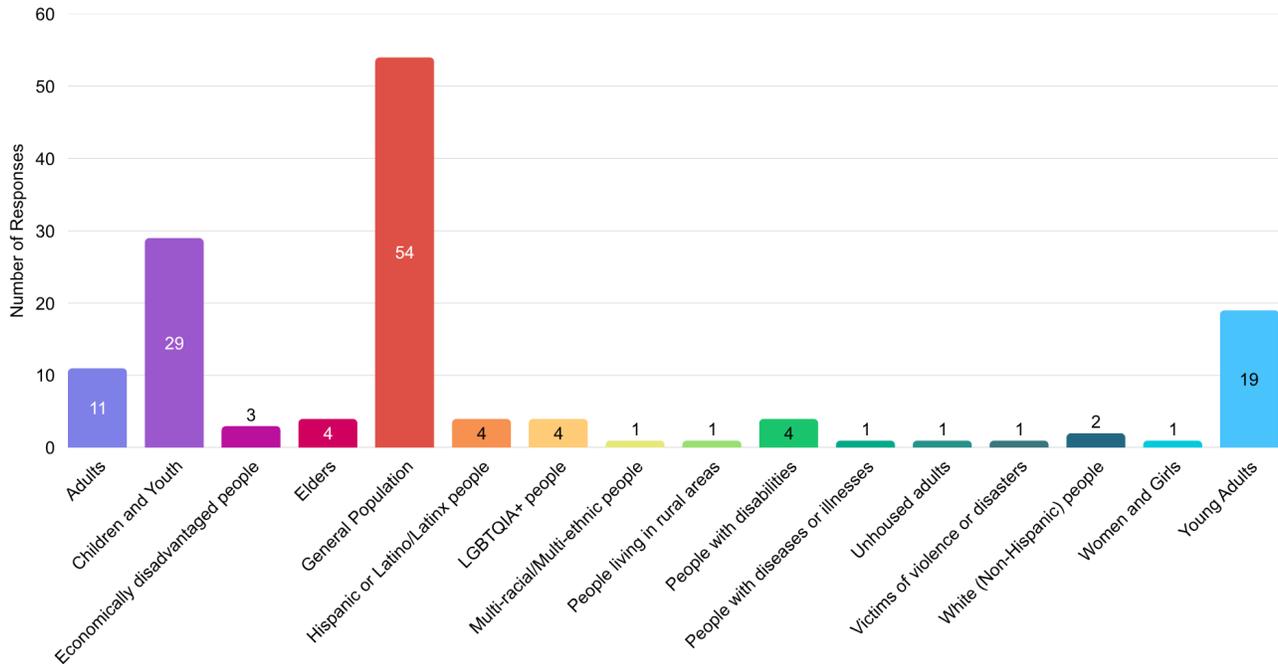
**Figure 4: Survey respondents by secondary focus area**



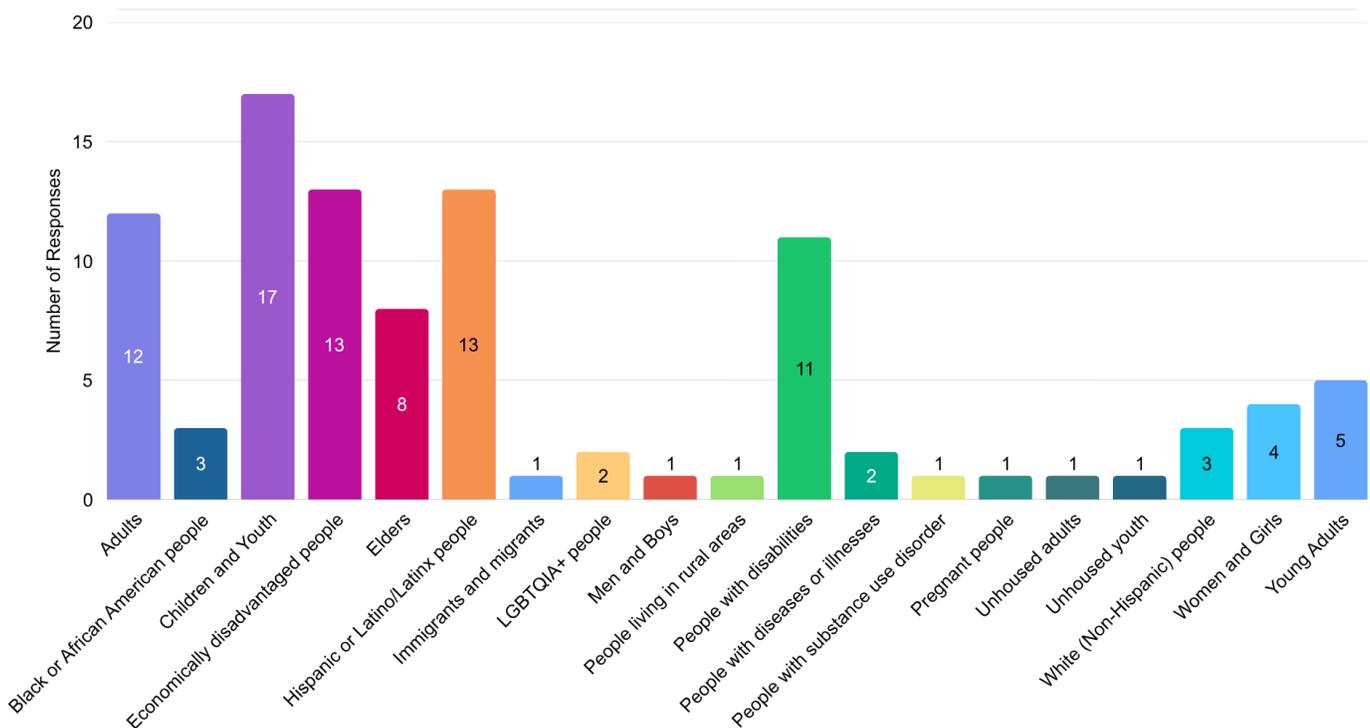
## Profile of Respondents – Populations Served

Respondents were asked to indicate the primary and secondary population served by their organization and instructed to select “General Population” if their work targets a broad population or if this data is otherwise not tracked by the nonprofit. Children and Youth, Young Adults, and Adults were the top three primary populations. For organizations who indicated a secondary population, Children and Youth, Economically Disadvantaged People, Hispanic or Latino/Latinx people, Adults and People with Disabilities were the highest populations served.

**Figure 5: Primary populations served by respondents**



**Figure 6: Secondary populations served by respondents**



## Profile of Respondents – Funding Sources

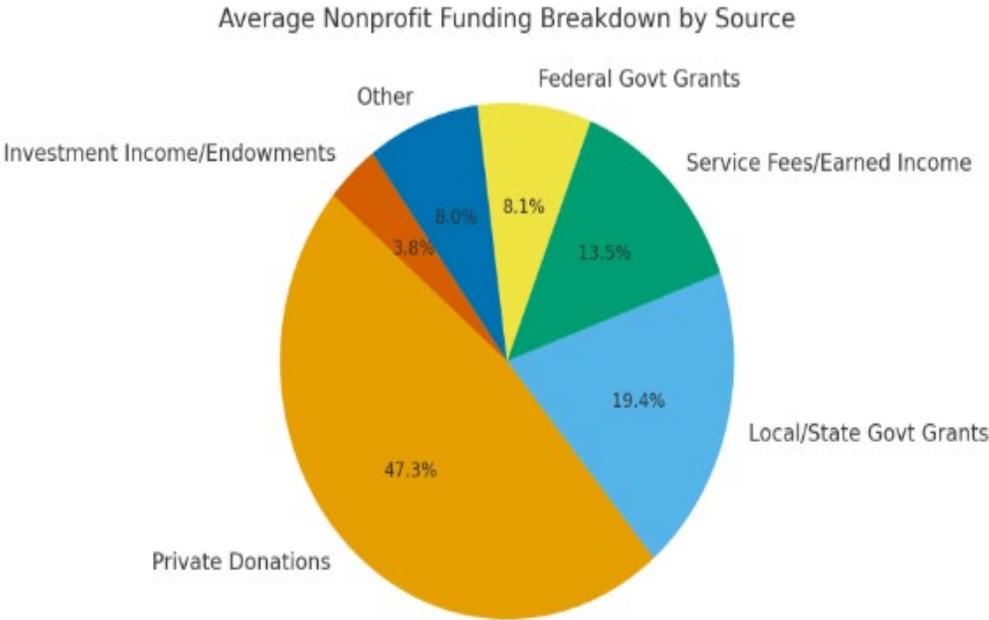
90% of respondents indicated private donations and fundraising (this could include individual contributions, grants from private or public foundations, and other fundraising campaigns) as their primary funding source. 70% of respondents indicated Local, State, or Federal government grants as their secondary funding source. For respondents who indicated a tertiary funding source, Service Fees and Earned Income was the most common.

### Overall Funding Composition (Average Across All Respondents):

- **Private Donations:** 45.9% — The largest share of nonprofit funding comes from individual or private contributions.
- **Local/State Government Grants:** 18.8% — Nearly one-fifth of nonprofit funding is provided through state or local government grants.
- **Service Fees/Earned Income:** 13.1% — Many nonprofits also generate income through services, memberships, or product sales.
- **Federal Government Grants:** 7.9% — Federal funding plays a smaller but notable role.
- **Other Sources:** 7.8% — This includes miscellaneous or unspecified income streams.
- **Investment Income/Endowments:** 3.7% — The smallest share, representing returns from endowments or investments.

On average, private donations make up nearly half of total funding for respondents. Government grants (local/state and federal combined) account for around 26.6%, while earned income and other miscellaneous sources together provide roughly 21%. Investment income is relatively minor but may still be crucial for organizations with established endowments.

Figure 7: Average funding breakdown by source

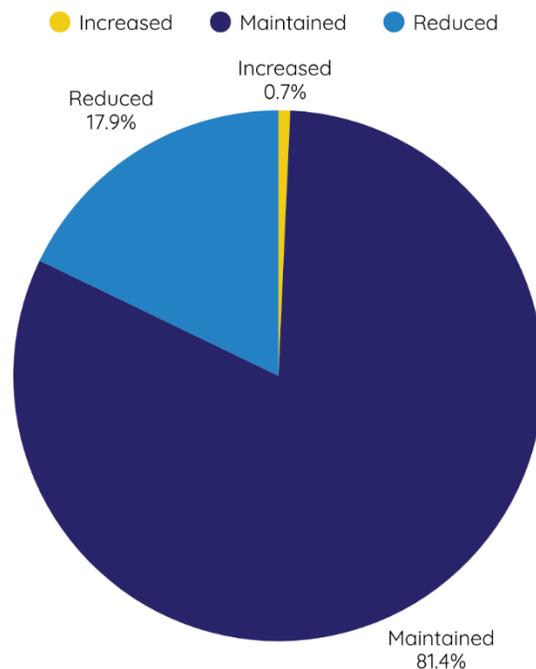


## Impacts – Changes in Federal Funding

Respondents were asked to share how much government (federal, state, or local) funding they anticipated in 2025 compared to how much funding they now expect to receive. Most respondents indicated that the amount anticipated is unchanged. Respondents whose status remains “unchanged” include organizations who did not experience an increase or reduction in the amount of government funding received as well as those who did not anticipate receiving any government funding in 2025.

When asked whether changes to federal funding since January 2025 have affected their organization, 43.6% of respondents answered “**Yes**” while 37.9% of respondents answered “**No**.” 18.6% of respondents noted that they were unsure whether federal funding changes have impacted their organization since January 2025.

**Figure 8: Federal funding anticipated vs. funding received in 2025**



When asked what specific impacts funding changes have had on their organizations, a majority of respondents (60–65%) reported no staff layoffs to date, however, many of these same organizations mentioned hiring freezes, unfilled positions, or reduced hours, suggesting passive downsizing rather than active layoffs. Even among stable organizations, financial uncertainty, especially tied to federal funding, is a recurring concern.

When asked whether they have been impacted by staff layoffs since January 2025, around 15–20% of respondents reported active layoffs. Reported layoffs ranged widely:

- Small organizations (Under \$100k budget - \$250k budget): 1–5 staff.
- Medium organizations (\$250k budget to \$500k budget): 8–20 staff.
- Large organizations (\$500k – above \$2 million budget): up to 60 staff laid off (one of the highest reported).
- One large organization reduced from 200 staff to 138, a 35-person loss.

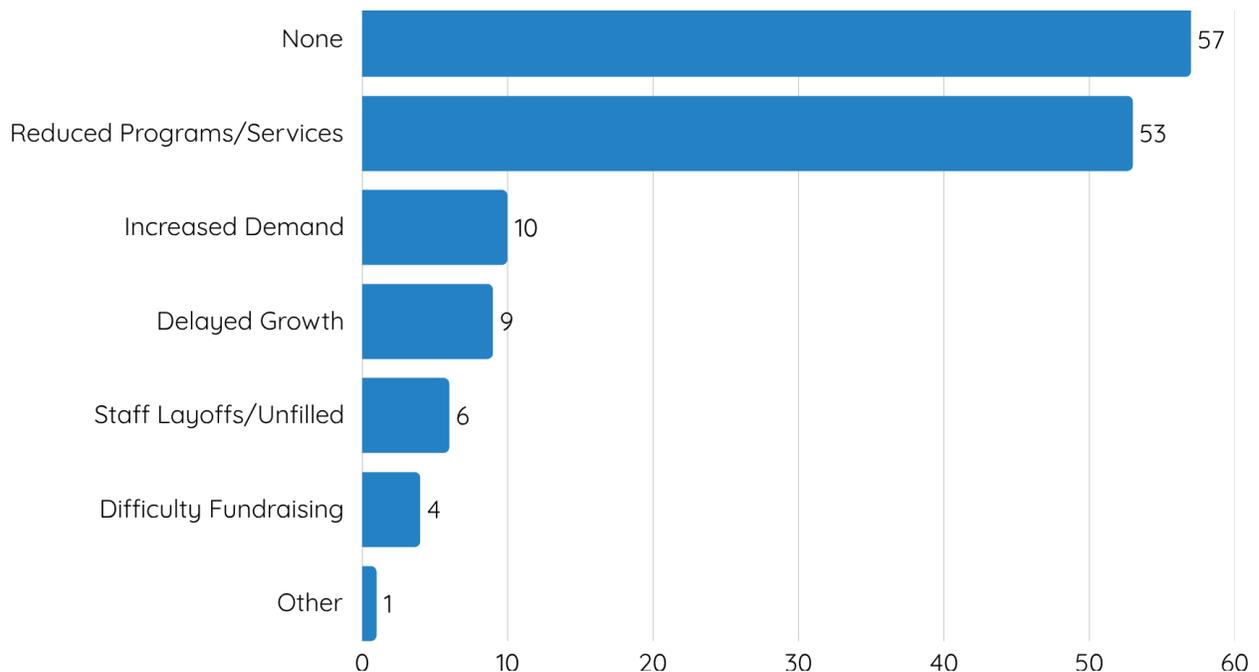
- Several organizations noted position eliminations, reduction in hours, or conversion of full-time to part-time roles instead of formal layoffs.
- Others have frozen recruitment for roles such as management level positions and AmeriCorps VISTA volunteers,
- Anticipated future layoffs are limited but not absent, only about 10–15% of organizations anticipate more layoffs.
- Projected future layoffs typically fall in the 1–5 full-time employee range, or 20–30% of current staff for smaller teams.

## Impacts – Programming and People Served

Respondents indicated staff shortages such as lack of program coordinators and support workers and reduced capacity due to funding shortages which caused program delays. Some noticed ripple effects where reduced support in one area affected broader service quality. Others noted that policy shifts, especially those impacting immigration and housing, are dramatically increasing need while limiting service reach along with disproportionate impact on vulnerable populations including immigrants and refugees, LGBTQ+ individuals, low-income families, women and children, and rural communities.

- The scale of impact ranges from no effect to over 10,000 individuals affected per organization.
- Many respondents reported partial reductions, while some faced complete suspension of services or significant cutbacks. A smaller group reported no reduction or even increased programming.

**Figure 9: Specific impacts reported by respondents (multiple choice) ranked by total # of mentions.**



**Figure 10: Trends across qualitative response to question on # of people impacted from organizations who have experienced reduced programs or services since January 2025.**

Approximate Number of People Affected	Example Contexts
10,000+	This includes organizations serving Basic Human Needs, Justice and Legal Services, and News/Media and Journalism based in Pima and Pinal Counties. Refugees, children, and adults affected by immigration policy changes; children and families in statewide education and shelter programs.
5,000–10,000	This includes organizations in Yuma and Graham county serving Food Security and Environment/Conservation. Trail users, program members, and cultural/educational service recipients.
1,000–5,000	Includes sometime organizations based in Pima, Pinal and Santa Cruz Counties working in Arts and Culture, Basic Human Needs, and Children and Youth Services. Youth/families in school programs, job readiness, transportation, and childcare.
100–999	More rural counties are represented in this group including Cochise, Yuma, and Santa Cruz. Reduced housing and employment services, reduced scholarships and summer programs.
<100	Organizations represented in this group serve Basic Human Needs, Children and Youth and Arts and Culture. Individual students or small groups are affected by staff shortages or delayed launches.

## Impacts – Programming and People Served

A significant number of organizations are experiencing increased demand across a wide range of services. According to narrative responses, several drivers of demand include:

- Rising cost of living (housing, food, healthcare)
- Federal/state funding cuts
- Increased immigration enforcement
- Community instability and fear, especially among youth, immigrants, and LGBTQ+ communities
- Post-pandemic recovery, and general economic insecurity

**Figure 11: Services reported to be in high demand across qualitative responses.**

Category	Examples of Services in High Demand
<b>Food &amp; Basic Needs</b>	Emergency food, SNAP assistance, hygiene kits, meal programs (especially for seniors), menstrual products, utility aid
<b>Housing &amp; Emergency Assistance</b>	Rent and utility assistance, eviction prevention, emergency shelter, home vouchers
<b>Youth &amp; Education</b>	After-school and summer programs, mentoring, scholarships, restorative justice programming, GED/ESL classes
<b>Transportation</b>	No-cost transport for seniors, school-based transit, rural areas, and medical visits
<b>Healthcare &amp; Mental Health</b>	Prenatal care, trauma-informed education, counseling, and mental health services
<b>Legal &amp; Immigration Services</b>	Know Your Rights, pro se support, detention center legal help, LGBTQ+ information access
<b>Workforce Development</b>	Job readiness programs, day labor, economic opportunity services, especially for displaced workers

<b>Community Safety &amp; Advocacy</b>	Safe spaces, public policy education, media literacy, response to violence, public land protection, and LGBTQ+ advocacy
<b>Veterinary Services</b>	Emergency vet care, especially for low-income or unhoused individuals
<b>Animal Therapy / Programming</b>	Therapeutic services, foster pet care, animal-assisted programming
<b>Cultural &amp; Arts Programming</b>	Requests for books, art education, museum visits, teacher professional development, and local cultural services

Respondents are reporting a 30–50% increase in demand for some services (e.g., food assistance, scholarships). One organization reported 13% increase in food services and household visits while another added 343 new service hours while serving adults with disabilities. Another respondent reported taking on more than 100 new members without additional funding. Several organizations mention waitlists forming or capacity being stretched.

## Impacts – Concern vs. Impact

Something of note across survey responses is the comparison between nonprofits’ reporting on current impacts due to federal policy shifts versus their rating of the level of concern felt across the organization. To quantify “impact” two measures were analyzed: the “concern score” reported on a scale of 1-5 and reports of direct impacts found in qualitative responses.

This analysis revealed that mid to large organizations (categorized as organizations with annual budgets **over \$500,000**) are most likely to be experiencing significant impacts. Large organizations (categorized as organizations with budgets over \$2 million) are most **concerned** about the future. Based on survey data, small organizations with annual budgets under \$250,000 are significantly concerned but less affected by direct impacts at this time.

Although Pima County represents the majority of responses in this survey, based on this analysis, rural communities appear to experience more significant impacts. **Santa Cruz County, Yuma County, and Cochise County** nonprofits all report higher concern and higher impact rates. Organizations supporting essential safety-net services, such as Health and Basic Human Needs are also the highest represented group in the concern vs. impact analysis.

<b>Indicator</b>	<b>Meaning</b>
<b>Concern Score (1–5)</b>	How worried organizations are about continued funding losses
<b>Any Impact %</b>	% of respondents reporting federal, state, or local funding changes affecting them

**Figure 13: Reported concern compared to percentage of impact by respondent budget size.**

<b>Annual Budget</b>	<b>Concern Score (Avg.)</b>	<b>% Experiencing Impact</b>
Above \$2M	4.73	72.7%
\$500K–\$1.99M	3.82	73.3%
Under \$100K	4.00	44.0%
\$100K–\$250K	3.85	37.0%
\$250K–\$500K	3.95	47.6%

Figure 14: Reported concern compared to percentage of impact by respondent geographic region.

Geographic Region	# Responding Orgs	% Experiencing Direct Impact	% Reporting High Concern
Graham County	3	100%	100%
Yuma County	4	75.0%	50.0%
Cochise County	7	71.4%	57.1%
Pinal County	3	66.7%	66.7%
Pima County	104	56.7%	74.0%
Santa Cruz County	19	42.1%	68.4%

Figure 15: Impact rate (average across qualitative and quantitative responses) by primary focus area.

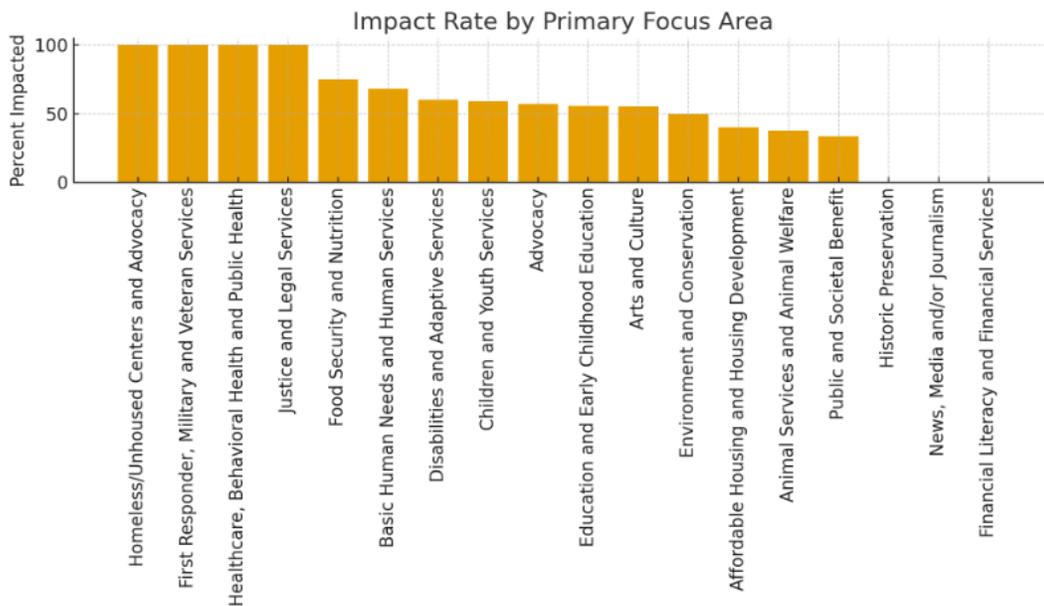
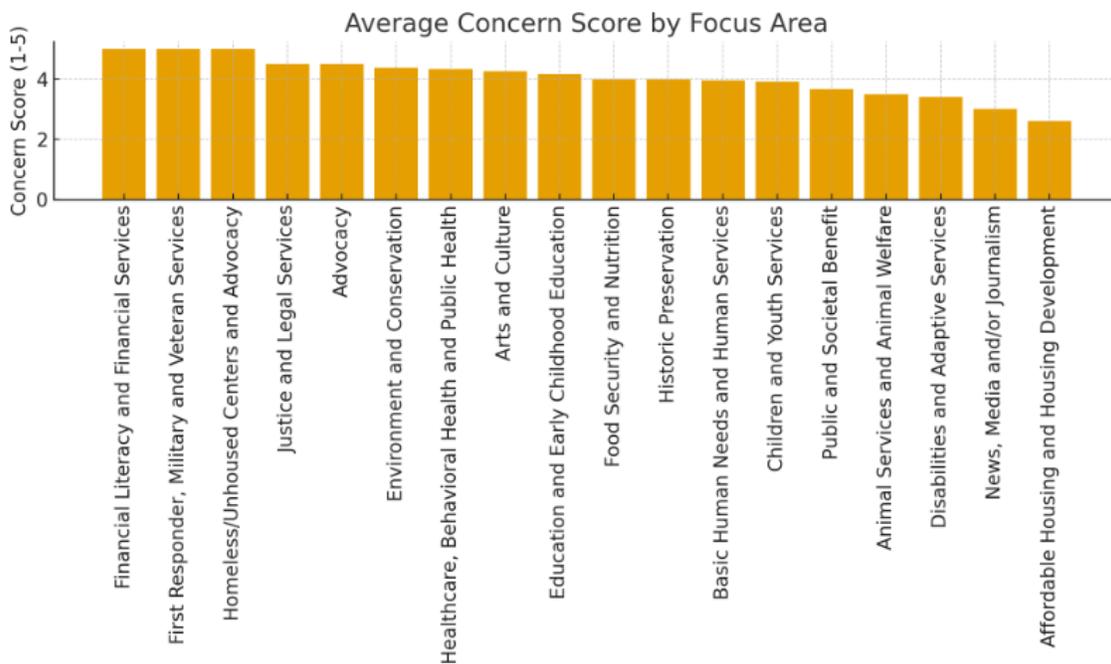


Figure 16: Average Concern Score by primary focus area.



## Narrative Summary: Impact of Funding Cuts on Nonprofits, Staff, and Communities

The responses reveal a nonprofit sector under significant strain, grappling with the immediate and cascading effects of federal and state funding cuts. While some organizations remain insulated through private or diversified funding, most describe a landscape marked by staff burnout, community need outpacing resources, and growing uncertainty about sustainability.

### Deep Strain on Staff and Organizational Capacity

Many respondents described an environment of exhaustion, shrinking teams, and the emotional toll on staff members attempting to maintain services with fewer resources. One Santa Cruz County based organization supporting Disabilities and Adaptive Services shared that **their “Group Supported Employment program coordinator and staff are beyond stressed, switching between programs during the day while also managing a Café and Plant Nursery.”** Despite these pressures, they remain committed to their mission **they are not giving up because, “that is not what is best for our population who want to work and grow in independence.”**

Even where layoffs were avoided, the pressure remains. A respondent noted, **“We have not cut down on services, but there is less support for the administrative aspects,”** while another said, **“We operate on minimal administrative staff... reducing staffing any further than our already-minimal crew would ultimately lead to closing our doors permanently.”**

### Ripple Effects on Communities and Clients

Funding shortfalls appear to have immediate and often painful consequences for the people nonprofits serve. One respondent wrote starkly, **“I have many stories from individuals not having enough food to live on and those about to be evicted.”**

Others shared specific examples of how funding gaps disrupt services for vulnerable groups. One organization serving preschoolers described how **“reductions to Quality First Scholarships and DES support mean fewer families can afford enrollment,”** adding that the freeze of teacher training funds **“halts vital programs that nurture our students.”**

Housing and food insecurity were recurring themes: **“We have more clients looking for rent assistance because funds are used up quickly at other organizations,”** wrote one respondent, while another stated simply, **“Less food to give out to our neighbors.”**

### Increased Competition and Sector-Wide Tension

Some organizations have been shielded from direct federal cuts but still feel the indirect effects through intensified competition for private and foundation funding. As one nonprofit put it:

**“We’ve never relied on Federal funding... But nonprofits that previously weren’t in our funding space are now moving into it due to cuts in their funding, increasing competition for resources and attention.”**

This competition creates tension across the sector, particularly for smaller nonprofits. A respondent warned that **“as more organizations experience funding cuts, they will rely more heavily on foundation support... This makes the landscape increasingly competitive, which disproportionately harms small organizations like ours.”**

### Declines in Donor Confidence and Shifts in Funding Priorities

Several organizations described donors pulling back or changing focus. **“Some donors are taking a ‘wait and see’ approach,”** one wrote, while another said, **“We have seen some of our major donors decide not to renew sponsorships.”**

Others expressed concern that their missions are now viewed as politically risky. **“Our organization has been flagged as a ‘risk’ to give money to due to our mission,”** reported one respondent. Another noted that **“organizations like ours are navigating the administration’s demonizing of DEI and retribution against organizations like ours.”**

### **Adaptation, Creativity, and Resilience**

Despite the strain, many nonprofits are innovating to survive. One arts organization described how **“our very committed members all volunteered to not be paid in order to save resources.”**

Others are diversifying funding streams, strengthening donor engagement, or shifting to new program models. A youth-serving organization explained:

**“We were only able to commit to one school site due to limited funding... Our small team is cross trained to cover multiple responsibilities, but the strain limits our ability to deepen impact.”**

A nonprofit focused on after-school STEM programs shared a message of resilience:

**“By diversifying income streams, we aim to build a more resilient foundation—one that can withstand funding delays and policy shifts... SPA is more than an after-school program; we are a proactive response to the challenges Arizona communities are facing today.”**

### **Overarching Sentiment: Fear, Fatigue, and Fragile Hope**

Across responses, there is a consistent tone of worry and weariness. One organization summed up the sentiment powerfully:

**“Everyone seems to be feeling a sense of urgency... which is difficult. Some staff have indicated they’re hesitant to speak out strongly on current issues because it could put a target on the organization for loss of funds.”**

Another captured the broader uncertainty of the moment: **“The potential of funding cuts has drastically decreased staff morale. Everyone is worried that they need to start looking for another job.”**

Other respondents express concern about the ability for changes to come. One Pima County-based nonprofit serving people with disabilities expresses, **“Our funding is Medicaid funds so we are in danger of cuts at both the state and federal levels. As we have never had to rely so heavily on donations, there is no infrastructure in place for increasing outreach, tracking donors, etc. We want to increase sales and contracts but we do not have funds for more marketing.”**

## **Looking to the Future – Support Needs**

Over half of respondents (55%) report having between 6 and 12 months of operating funds in reserve. Roughly one in four (28%) organizations have more than a year’s worth of reserves, indicating strong financial health and strategic stability. About 16% of organizations, 80% of which have budgets under \$2 million, have less than three months of operating reserves—a critical risk threshold. Populations served within this group include Children and Youth, Young Adults, LGBTQIA+ people and Economically Disadvantaged people. This group may be at immediate risk of service disruption if revenue delays occur or if funders reduce support.

When asked to share what types of support would make the biggest difference to their organizations, nearly half of all respondents (47.6%) identified General Operating Support as their top need — indicating that nonprofits are struggling most with core costs and financial flexibility rather than program-specific funding.

The second most common response, Education & Advocacy (21%), suggests nonprofits are seeking policy-level change and sector-wide representation. This implies growing recognition that funding challenges are structural, not just organizational. Preserving Funded Programs (14%) reflects concern over losing or scaling back key services, particularly those reliant on federal or grant-based funding. Organizations are seeking help to bridge gaps and avoid service disruptions that directly impact clients. Responses like Smoothing Short-Term Disruptions and Shared Services & Wind-Down Support suggest nonprofits are preparing for continued turbulence.

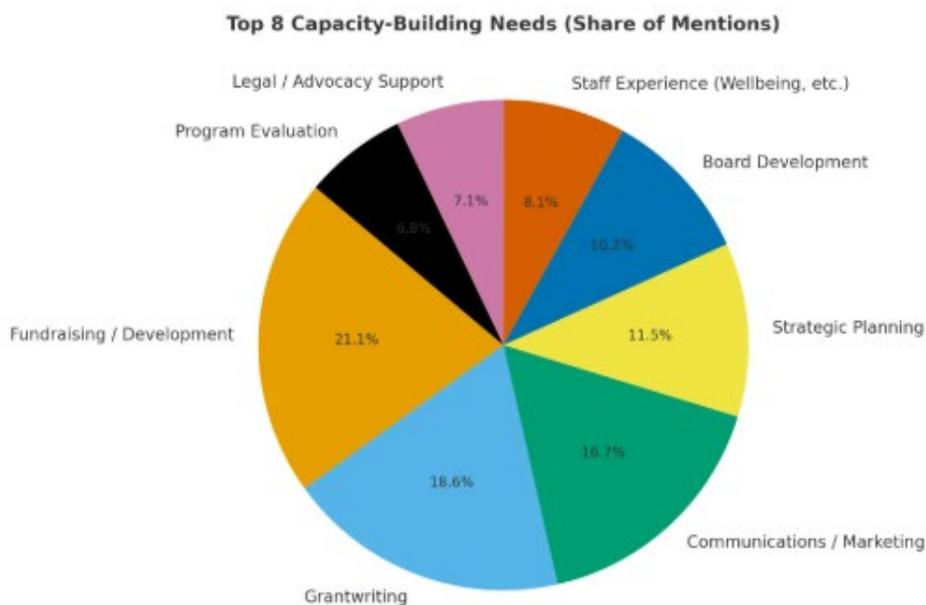
### Top Support Needs (Ranked by Frequency)

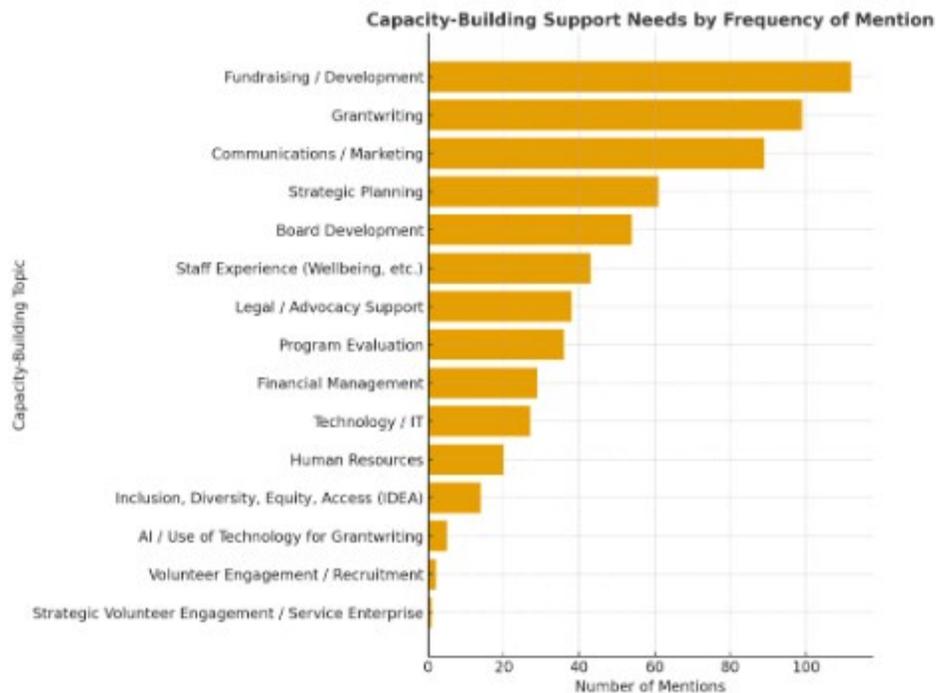
Rank	Type of Support	Share of Total Responses
1	General Operating Support	47.6%
2	Education & Advocacy	20.6%
3	Preserving Funded Programs	13.9%
4	Smoothing Short-Term Disruptions	7.9%
5	Shared Services and Wind-Down Support	4.9%
6	Support toward Organizational IDEA (Inclusion, Diversity, Equity & Accessibility)	3.0%
—	Other (write-ins: capital grants, tech support, food costs, security upgrades, fundraising capacity)	1.9%

### Looking to the Future – Capacity Building Needs

Respondents were also asked to share their top capacity-building needs. Through CFSA’s Center for Healthy Nonprofits, there is an opportunity to respond to nonprofit capacity needs outside of traditional grant funding. The center, which provides free and reduced-cost capacity building workshops for nonprofit professionals, is uniquely positioned to serve as a pillar of the local response strategy.

Fundraising/development support, grantwriting, and communications/marketing ranked highest as primary topic interests, indicating a need for support around the continued pursuit of stabilizing funds and resources.





### Mid-Tier Priorities:

- Strategic Planning and Board Development remain central — organizations are looking to strengthen leadership and long-term direction.
- Staff Wellbeing also appears often, reflecting concern for employee resilience and retention in the nonprofit sector.
- Legal & Advocacy Support shows up more than expected — organizations may need help with compliance, policy advocacy, or nonprofit law.
- Program Evaluation is mentioned frequently enough to signal a growing emphasis on impact measurement.
- Technology / IT and AI-related training emerge as developing areas of need, suggesting digital transformation interests.

### Lower Mentions but Notable Themes

- IDEA (Inclusion, Diversity, Equity, Access), while lower in total frequency, is repeatedly paired with other capacity-building needs — e.g., board diversity or equitable fundraising practices.
- Volunteer management appears minimally but still signals specific operational needs for a few respondents.

## **Narrative Summary: What Nonprofits Want Funders to Know**

When asked what they'd like funders and elected officials to know, respondents are clear that they are stretched thin, operating in an environment of rising community need, shrinking funding, and mounting uncertainty. Respondents' words reflect urgency, frustration, and an unwavering commitment to serving their communities despite growing obstacles. Dozens of comments called on funders and elected officials to trust nonprofits' expertise, reduce bureaucratic reporting, and provide general operating support.

While contexts range from healthcare and immigration to arts and education, common threads connect nearly every organization: the need for sustainable, flexible funding; recognition of staff and volunteer labor; and deeper understanding from funders and policymakers about the real costs and complexities of nonprofit work.

**“Restricted gifts don't allow me to pay for infrastructure, salaries, utilities, insurance... General Operating support is the hardest donation to obtain.”**

Many organizations reported a surge in need without the funding to meet it. Several respondents described being a “lifeline” for vulnerable groups as public systems erode.

**“We are the only group providing this service in Southern Arizona—and the need keeps growing.”**

Respondents note a fear of persecution, censorship, or funding losses tied to political shifts. Immigration and social justice groups especially described fear and “re-traumatization” within the communities they serve. Respondents also pointed to new administrative policies creating delays, audits, or ideological interference in grants.

**“The social safety net is being removed, and people are losing their livelihood.”**

**“We're worried about persecution of nonprofits... working on ‘hot button’ issues.”**

**“People are dying. Rights are being taken away. Silence from funders and officials is complicity.”**

Respondents urged funders and officials to listen directly to community organizations and leaders with lived experience, listening and learning from those on the ground as a part of the process of responding to impending changes.

**“Trust us to do the work we do rather than mandating how we do it.”**

**“Many small organizations are led by leaders in proximity—individuals who live in and reflect the communities they serve.”**

**“A deeper understanding of local context and actively involving community members in decision-making can lead to more sustainable outcomes.”**

The collective message is clear: while nonprofits are not in a place to create new programs, they need sustained partnership. Funders and policymakers must trust those on the ground, invest in long-term stability, and understand that cutting support to nonprofits is cutting support to the very communities they claim to serve.

## **Conclusion**

The 2025 Southern Arizona Nonprofit Funding Assessment reveals a sector that is both resilient and at risk. Nonprofits across the region are experiencing unprecedented challenges including rising demand of their services, dwindling government support and funding sources via delayed grant disbursements, shifting donor priorities, and competitive grant cycles, and increased uncertainty about shifting federal

policies and volatility. Despite these pressures, organizations continue to serve as vital lifelines for vulnerable populations, often stretching limited resources to meet expanding demand.

The findings underscore a critical truth: sustainability, not expansion, must be the focus of current and future investment. Nonprofits overwhelmingly call for unrestricted, multi-year operating support that enables them to retain staff, maintain essential programs, and adapt to rapidly changing conditions. They also seek stronger advocacy and systems-level reform to address structural funding inequities that disadvantage small and community-based organizations.

Southern Arizona's nonprofit community remains steadfast, creative, and deeply committed to its people while its long-term stability will depend on whether funders and policymakers choose to move from short-term relief to long-term solutions. By listening to nonprofits, trusting their expertise, and investing in their capacity to endure, the region can preserve the vital infrastructure that keeps its communities healthy, connected, and hopeful.