

EXECUTIVE SUMMARY

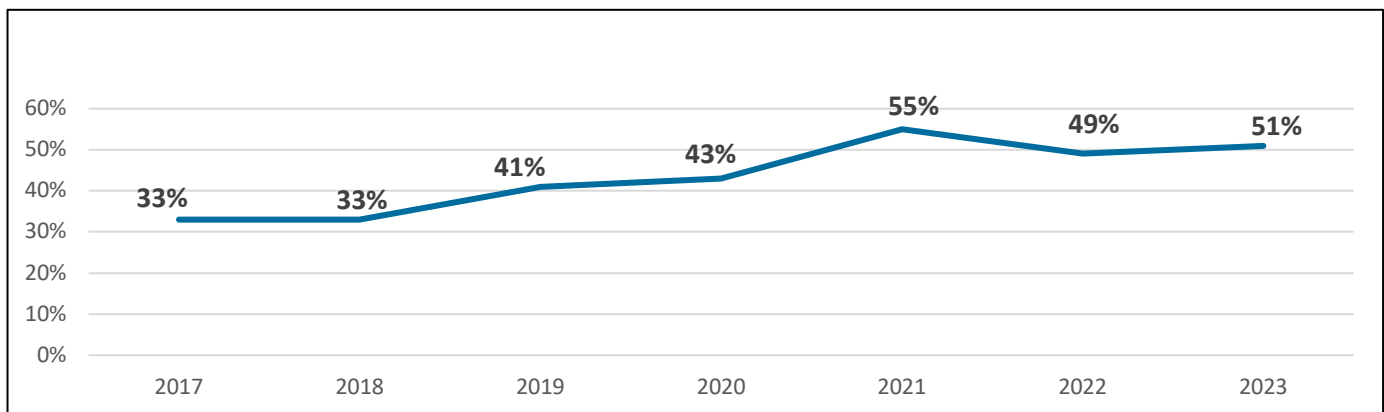
2023 Key Metrics for Philanthropy-Serving Organizations

United Philanthropy Forum’s 2023 *Key Metrics for Philanthropy-Serving Organizations* report provides comprehensive benchmarking data and analyses on the finances, membership, services and programs, operations, and governance of regional and national¹ philanthropy-serving organizations (PSOs) — the associations and networks that provide vital leadership to the philanthropy sector. Key findings on PSO leadership, finances, membership, and programs include:

PSO Board Diversity

- PSO Boards Are Growing More Diverse.** Fifty-one (51) percent of PSO board members identify as people of color—up slightly from the prior year and up markedly from the 33 percent share reported as recently as 2018. This figure is also more than double the 22 percent of nonprofit board members across the country who identify as people of color.² In addition, this share nearly matched the 52 percent of permanent PSO staff who identify as people of color.³

Share of Board Members Identifying as People of Color by Year



PSO Finances

- Most PSOs are positive about the near-term economic outlook for their organizations.** Over two-thirds of all PSOs (69 percent) indicated that their budgets would be higher in 2023 compared to 2022. Only 6 percent of PSOs expected their budgets to be lower. The balance of PSOs (25 percent) anticipated that their budgets would remain about the same. Both national and regional PSOs have a similarly positive outlook, with 71 percent of national PSOs and 67 percent of regional PSOs expecting to grow their 2023 budgets.

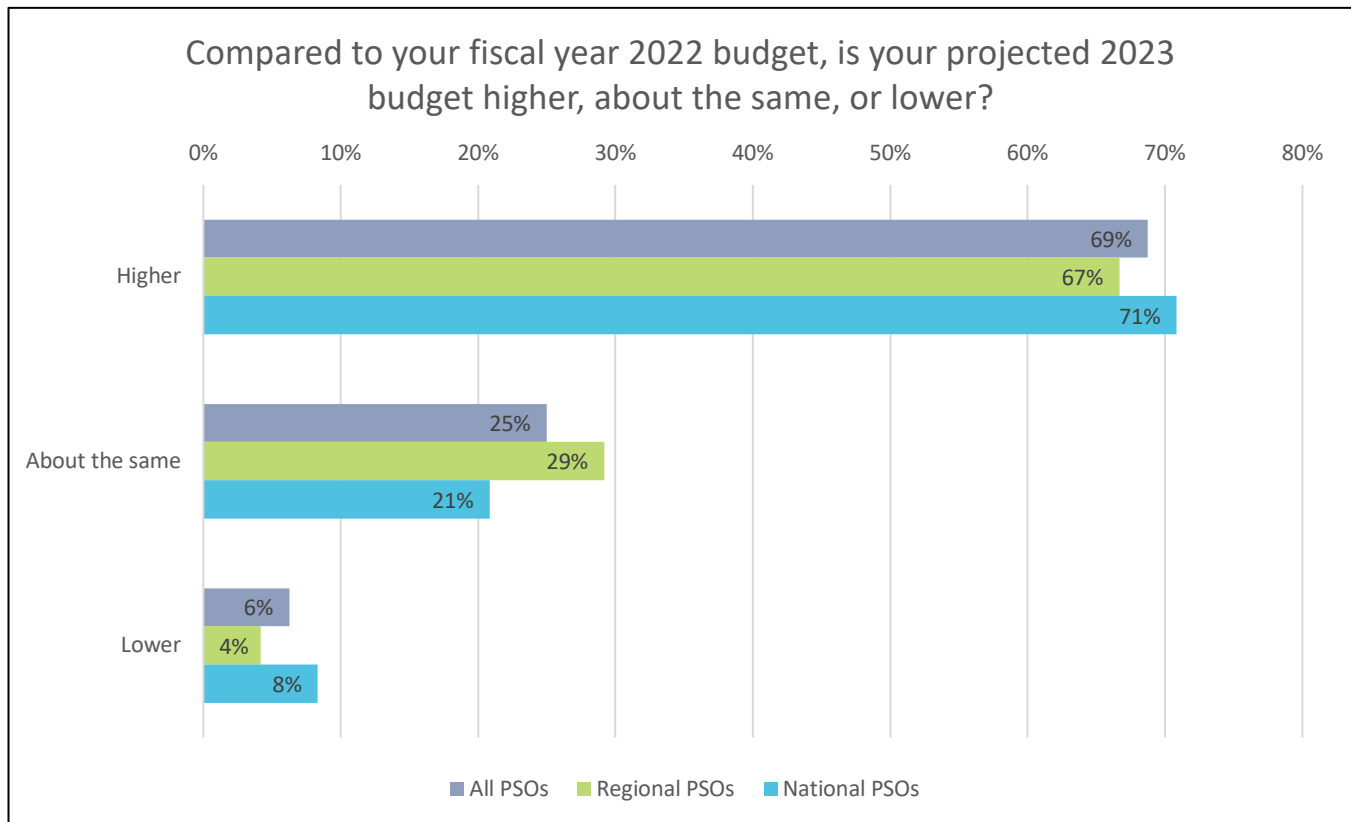
¹ “National” PSOs focus on a funding issue, population group, philanthropic practice, or type of funder and do not serve a specific region in the U.S.

² See *Leading with Intent: BoardSource Index of Nonprofit Board Practices, 2021*.

³ See *Compensation & Roles for Philanthropy-Serving Organizations, 2023 Edition*.

- Despite an increase in virtual operations, a majority of PSOs maintain offices.** The COVID-19 pandemic accelerated a trend among nonprofit organizations, including PSOs, toward making their operations virtual. Over one-third (35 percent) of PSOs reported having no dedicated office space, up from 30 percent in 2021. For national PSOs, fully half (50 percent) reported having no dedicated office space. Nonetheless, close to two-thirds (64 percent) of PSOs continue to lease or sublease office space, while a small number of PSOs (2 percent) benefit from pro bono space.

PSO Economic Outlook



PSO Membership Renewal & Growth

- PSOs report high renewal rates.** National and regional PSOs both reported a median⁴ 93 percent membership renewal rate. Among their members at year's end, 89 percent were renewals from the previous year, 1 percent were members that returned to membership, and 9 percent represented new members.
- Most PSOs expect stable or growing membership.** Two out of five PSOs expect to see an increase in the number of institutional members in the current fiscal year, and just 7 percent expect their membership to decline. National PSOs are far more enthusiastic about their membership growth

⁴ The median represents the midpoint between the smallest and largest values reported. Unlike averages, it is not affected by extremely large or small values.

than are regional PSOs. A majority (61 percent) of national PSOs expect to grow their institutional member base in 2023, compared to 25 percent of regional PSOs.

PSO Services, Programs & Activities

- **PSOs offer a broad array of services to their members.** Among the 11 services included in the 2023 Forum survey other than conferences and other programs, a majority of regional PSOs offered their members access to services including hosting funding collaboratives (92 percent), producing giving studies (75 percent), providing meeting space (50 percent), and offering a common grant application form (50 percent). Funding collaboratives and giving studies were also offered by a majority of national PSOs, although the shares were much smaller (53 percent). Across all PSOs, hosting funding collaboratives was perceived as having the greatest usefulness to PSO members or stakeholders, followed by offering financial/bank office services, managing fiscal sponsorships, and producing giving studies.
- **PSOs have returned to hosting their conferences in person.** Unlike during the height of the COVID-19 pandemic, no PSOs responding to the 2023 survey anticipated conducting a fully virtual conference in 2023 or 2024, and only a couple of PSOs anticipated offering a hybrid option.

PSO Collaboration & Partnership

- **PSOs collaborate regularly with each other.** Fully 98 percent of all PSOs indicated that they had collaborated with one or more PSOs in the past year. The vast majority of national PSOs (87 percent) collaborated with one or more regional PSOs. Most regional PSOs (90 percent) collaborated with an issue-focused national PSO, while 71 percent collaborated with a practice-focused national PSO and 57 percent collaborated with an identity-focused national PSO.

To learn more, go to www.unitedphilforum.org/keymetrics

About the Forum

As the largest and most diverse network in American philanthropy, United Philanthropy Forum holds a unique position in the social sector to lead change and increase impact in philanthropy. We are a membership organization of more than 90 regional and national philanthropy-serving organizations (PSOs) who work to make philanthropy better, representing more than 7,000 foundations and other funders across the country. The Forum envisions a courageous philanthropic sector that catalyzes a just and equitable society where all can participate and prosper.

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