



SUMMARY SHEET

How Funding Cuts Are Affecting Oregon Nonprofits

With significant cuts to nonprofit funding at multiple levels of government and specific targeting by Federal authorities of nonprofit organizations engaged in civic engagement, immigration, LGBTQIA+ rights, and environmental protections, the Coalition of Communities of Color and Nonprofit Association of Oregon partnered to conduct a pulse survey in September 2025 to assess how these government funding cuts and policy actions are impacting Oregon's nonprofit sector. The goal was to collate with the breadth of funding sources, the scope and consequences of funding reductions, and organizational response strategies. These findings reflect the responses from 180 Oregon 501(c)(3) organizations.



Download full report by scanning the QR code.

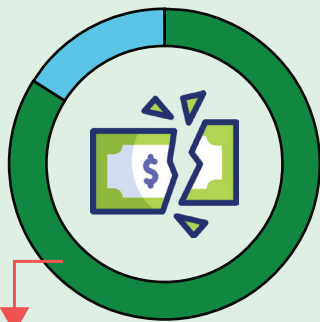


"A new reality for nonprofits is that we are delivering critical social services with less resources while the need is growing. It is critical to assess what must sustain and what can be let go even temporarily for the longevity of the organization." - Rural-serving Nonprofit

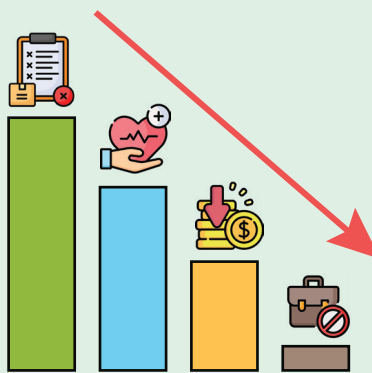


"The heaviest toll falls on staff and, ultimately, on the youth we serve. Staff continue to deliver strong outcomes but are stretched thin and burned out, as their efforts do not translate into wages that keep up with rising local costs of living." - Social Service Nonprofit

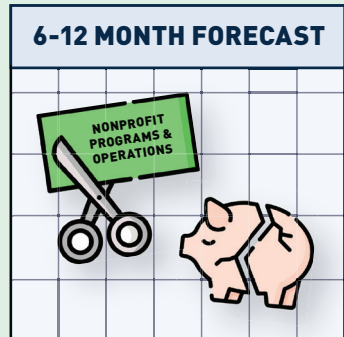
KEY FINDINGS



84% of Oregon nonprofits have experienced or anticipate government funding cuts.



Cutting programs, reducing administrative costs, and dipping into reserves were the top three strategies used by nonprofits. Cutting staff was a close fourth.

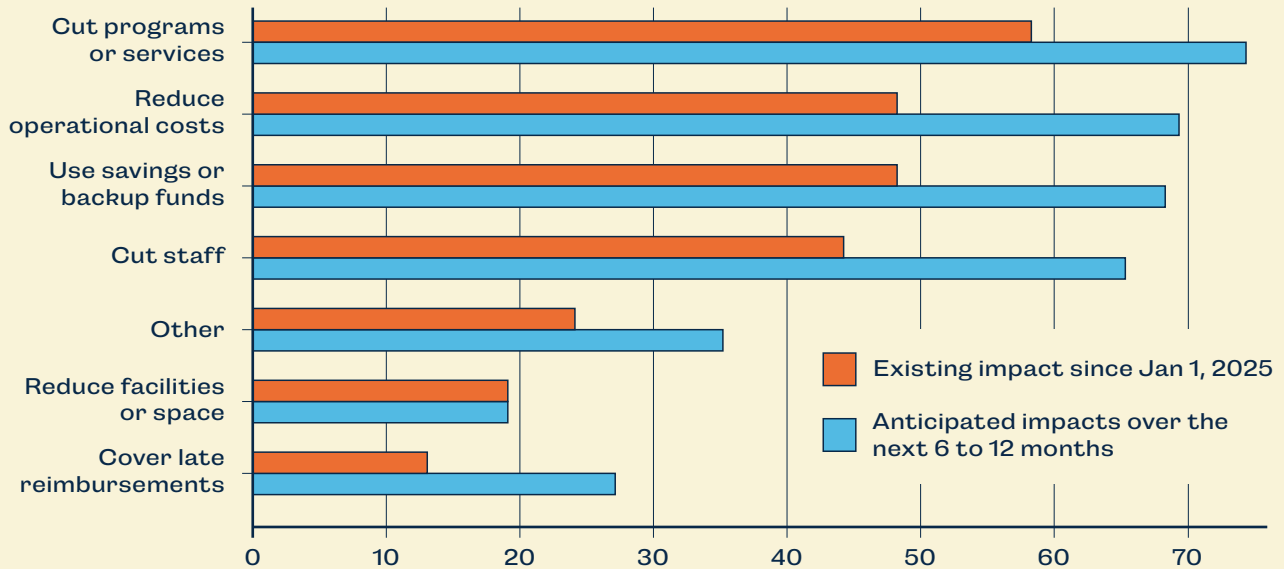


Over the next 6-12 months, nonprofit leaders will continue to cut programs and operations and draw more from reserves.

Impacts of Government Funding Cuts

"Shifting government priorities and compliance requirements create uncertainty that makes long-term planning difficult. We must budget conservatively, delay program expansion, and devote additional staff time to monitoring policy changes to safeguard our funding base."
- Youth Development Nonprofit

What has been or what do you expect will be the impact of government funding cuts on your organization?



Funding & Contract Disruptions caused by widespread grant revocations and terminations, changed "certs and reps," and intensified competition for remaining funds.

Targeted Impact on Equity Programs and Values with nonprofits forced to remove equity language, rename positions, and refrain from reporting impact on marginalized communities.

Operational Impacts depleting strategic reserves for basic operations and stretching funds while service demands continue to increase.

Staff & Workforce Crisis causing deep staff trauma, declining morale, and burnout, with more layoffs and staff seeking employment outside the sector.

Service Delivery Compromises by reducing program quantity and quality, creating waitlists, and turning people away.

Strategies for Navigating Into the Future

EMBRACE THE REALITY: Recognize the full range of challenges and be ready to adapt. Gather community needs, financial data, and capacity gaps honestly with staff, board, and key partners, and coordinate critical decisions. Think about ways to diversify your revenue, strategically cut costs or use reserves, and consider partnerships or mergers.

REFORM GOVERNMENT CONTRACTING PRACTICES WITH NONPROFITS: Federal, state, and local governments must adopt comprehensive contract reforms to restore sustainability to the government-nonprofit partnership.

BETTER COORDINATION ACROSS GOVERNMENT JURISDICTIONS: Government jurisdictions should coordinate their responses to federal funding restrictions to offer nonprofits consistent guidance on contract language and requirements, rather than leaving organizations caught between conflicting demands from different levels of government.

ALIGN PUBLIC & PRIVATE FUNDING STRATEGIES: Philanthropic foundations and government jurisdictions must coordinate their investments to effectively address community needs, prevent duplicative funding, and ensure essential services are maintained as public funding decreases.

ADVOCATE! Whatever changes your organization makes, don't do so silently. Share your story with elected officials, foundations, media, and peers. Document the community impact of funding cuts and policy changes. When appropriate, consider litigation to challenge unlawful or harmful government actions.