

**ESSENTIAL, ENDURING,
AND UNDER STRAIN:**

Dallas-Fort Worth's Nonprofit Sector in 2025

WHO RESPONDED TO THE SURVEY?

A SNAPSHOT OF THE DALLAS-FORT WORTH NONPROFIT SECTOR



This report focuses on responses from the 131 organizations from the Dallas-Fort Worth region (DFW) – defined in this report as the following counties: Collin, Dallas, Denton, Ellis, Hood, Hunt, Johnson, Kaufman, Parker, Rockwall, Somervell, Tarrant, and Wise – that took the [2025 State of the Nonprofit Sector Survey](#). These nonprofits represented a range of budget sizes, sectors, and leadership demographics. Compared to nonprofits in the rest of the country, those in DFW were smaller, newer, more likely to work in urban areas, more likely to serve locally or regionally, and more likely to have a Black or African American leader.

Throughout this report, when comparisons are made between national and DFW nonprofits, the national data excludes respondents from DFW.

KEY SAMPLE DIFFERENCES: DFW VS. NATIONAL

	DFW	National (excluding DFW)
Number of respondents in sample	131	2,075
Percentage with operating expenses of less than \$500,000 in 2024	49%	31%
Percentage established in 2000 or later	59%	41%
Percentage with a local or regional scope	90%	75%
Percentage working in urban areas	90%	65%
Percentage with a Black or African American leader	31%	17%

ABOUT THE 2025 NATIONAL STATE OF THE NONPROFIT SECTOR SURVEY

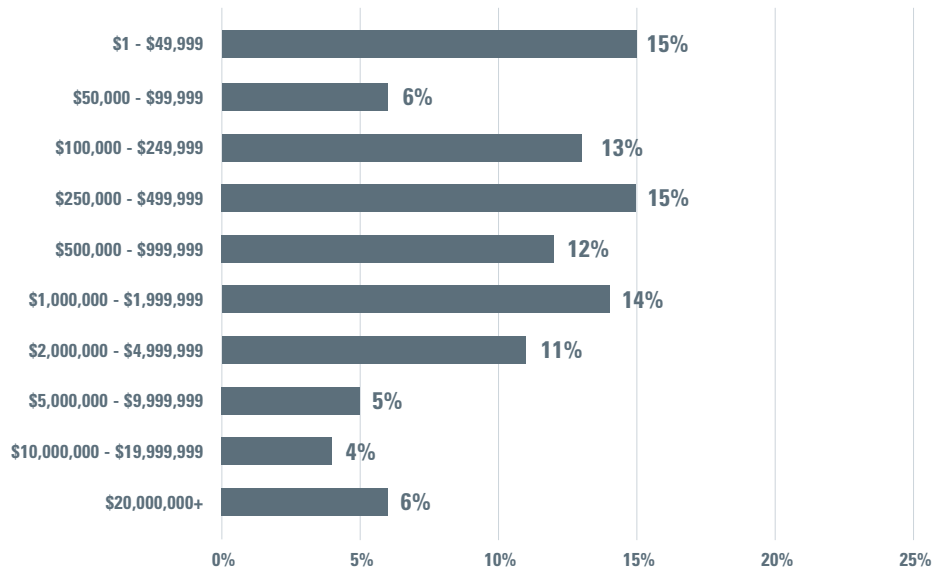
The State of the Nonprofit Sector Survey – Nonprofit Finance Fund’s (NFF) tenth – gathered data about US nonprofits’ health and their collective challenges and successes. This dataset is used across the sector to advocate for meaningful actions philanthropy, government, and others can take to support nonprofits into the future.

The 2025 Survey was conducted in collaboration with EVITARUS and Ambit 360 Consulting. From January 30 to March 14, 2025, we asked US nonprofit leaders a series of questions to understand the management, operational, and financial picture they navigated in 2024 and anticipated in 2025.

NFF is deeply grateful to the 2,200+ national survey respondents for all of the important work they do every day, and for entrusting us with their stories.

Note: Due to rounding and to questions that allowed respondents to select multiple answer choices, not all numbers in this report may appear to add up to exactly 100%.

FY 2024 OPERATING EXPENSES



We genuinely care about Veterans and listen to what their needs are. We offer brain treatment for traumatic brain injuries and help to improve the lives of each Veteran we put through this protocol.

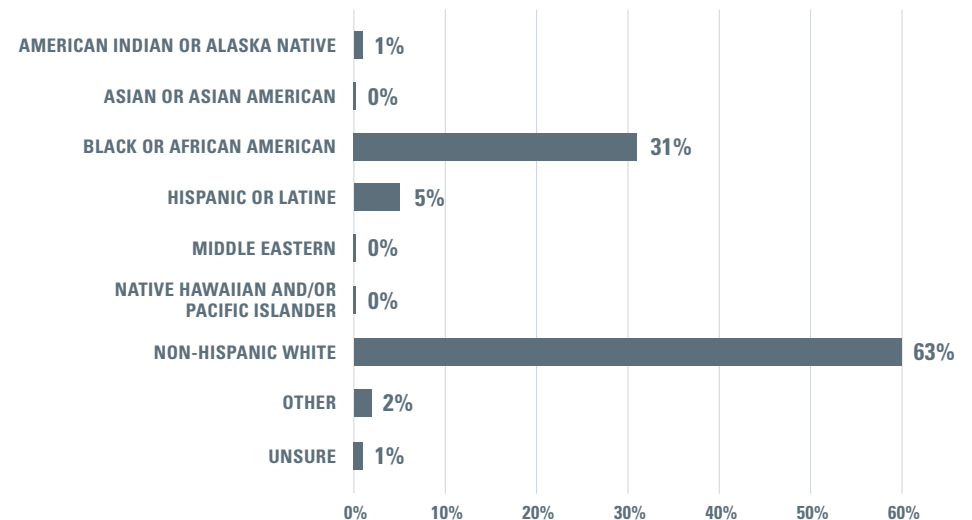
Human services survey respondent in DFW

KEY AREA OF OF WORK

Human Services	16%
Education (Other than Early Childhood)	15%
Arts/Culture	12%
Housing/Shelter	9%
Youth Services	8%
Community Development	8%
Food/Agriculture/Nutrition	8%
Mental Health/Crisis Intervention	5%
Animal-Related	5%
Other*	13%

*Categories in "Other" include: Economic Development (including Employment & Workforce Development), Education (Early Childhood), Healthcare, Immigration, Religion, Social Justice/Civil Rights/Community Organizing.

RACE/ETHNICITY OF ORGANIZATIONAL LEADER



Similar to respondents nationally, 36% of DFW respondents are from organizations led by people of color – defined in this survey as the organizational leader (e.g., Executive Director, CEO, President) identifying as one or more of the following: American Indian or Alaska Native, Asian or Asian American, Black or African American, Hispanic or Latine, Middle Eastern, and/or Native Hawaiian and/or Pacific Islander. Additionally, 39% of DFW respondents said that half or more of their leadership teams identify as people of color. Nearly two-thirds (64%) of DFW nonprofits are female-led.

WHAT THE DATA TELLS US NONPROFITS ARE THE INFRASTRUCTURE THAT POWERS AND SERVES DFW COMMUNITIES



DFW nonprofits don't just serve the community; they are the community.

Across Dallas-Fort Worth, nonprofits are vital community infrastructure. They protect us, house us, feed us, teach us, and make the region strong and vibrant for all who live here. Local nonprofits are rooted in community and working toward a better future for all. 28% of DFW respondents have a leader with lived experience representative of a community the organization serves. 40% said they received and acted on community feedback about their services in 2024.

Across sectors, 75% of DFW nonprofits exclusively or primarily serve people with lower incomes, as compared to 66% of organizations nationally.

MAJOR FOCUS AREAS FOR DFW RESPONDENTS

Building Community Wealth and Well-Being	57%
Address Economic Inequality	54%
Advancing Racial Equity	40%
Helping People Maintain and/or Keep Quality Jobs	28%
Advancing Environmental Justice	12%
Advancing Gender Equity	11%

One-quarter (27%) of DFW respondents engaged in advocacy or policy work in 2024, compared to 46% of national respondents. 15% worked to increase community civic engagement in 2024, compared to 30% of national respondents.

We value our stakeholders in the community, also known as the residents of [neighborhood] that are the heartbeat of the community. Without their vision, input, and support we cannot continue to provide essential services in the ... community.

Mental health/crisis intervention survey respondent in DFW

Nonprofits in DFW boost the economy by employing residents, buying locally, and developing the workforce.

The DFW nonprofits in our survey employed over 5,100 people in 2024, with many sharing that their staff are from the local communities they serve. Additionally, 38% spent more than \$100,000 in 2024 buying services, food, or other supplies from local vendors, with 7% spending more than \$1 million at local vendors.



We support students in obtaining a post-secondary degree or trade, which increases their chances of a livable wage. We also support them in gaining employable skills and professional development.

Education survey respondent in DFW

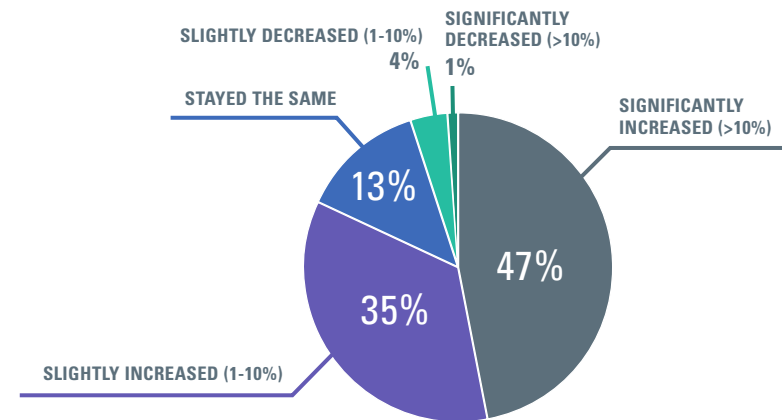
[Our organization] plays a vital role in the economic revitalization of our city by creating jobs, stimulating local businesses, and attracting tourism through the restoration [project]. The project generates construction and permanent employment opportunities while fostering workforce development in creative industries. By bringing performances and cultural events to the area, [the organization] increases foot traffic to nearby businesses, supporting economic growth. Additionally, its investment in mixed-use housing and neighborhood improvements helps stabilize property values and encourage further development.

Arts/culture survey respondent in DFW

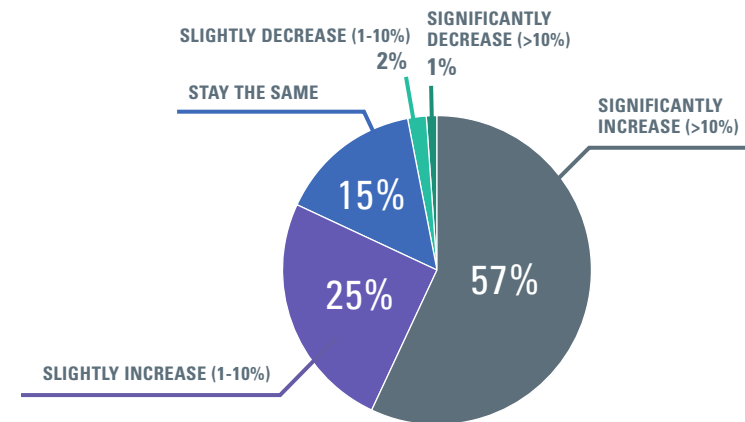
Demand for services is rising, with financial security, affordable housing, and youth programs identified as top community needs in DFW.

Local nonprofits are working to address a range of interconnected community needs. Most reported that demand for their services is increasing; 46% don't expect to meet service demand in 2025.

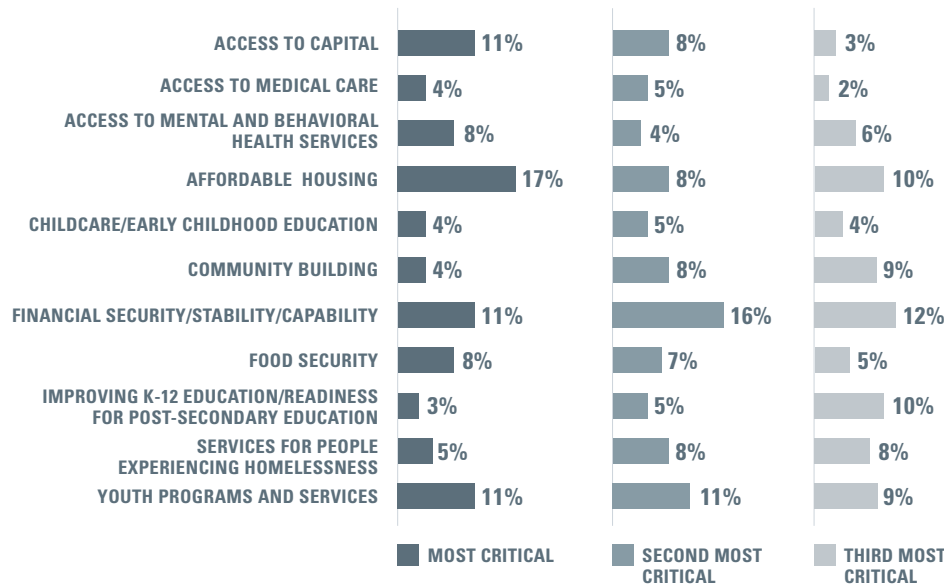
SERVICE DEMAND BETWEEN FY 2023 AND FY 2024



ANTICIPATED SERVICE DEMAND IN FY 2025



TOP THREE CRITICAL COMMUNITY NEEDS

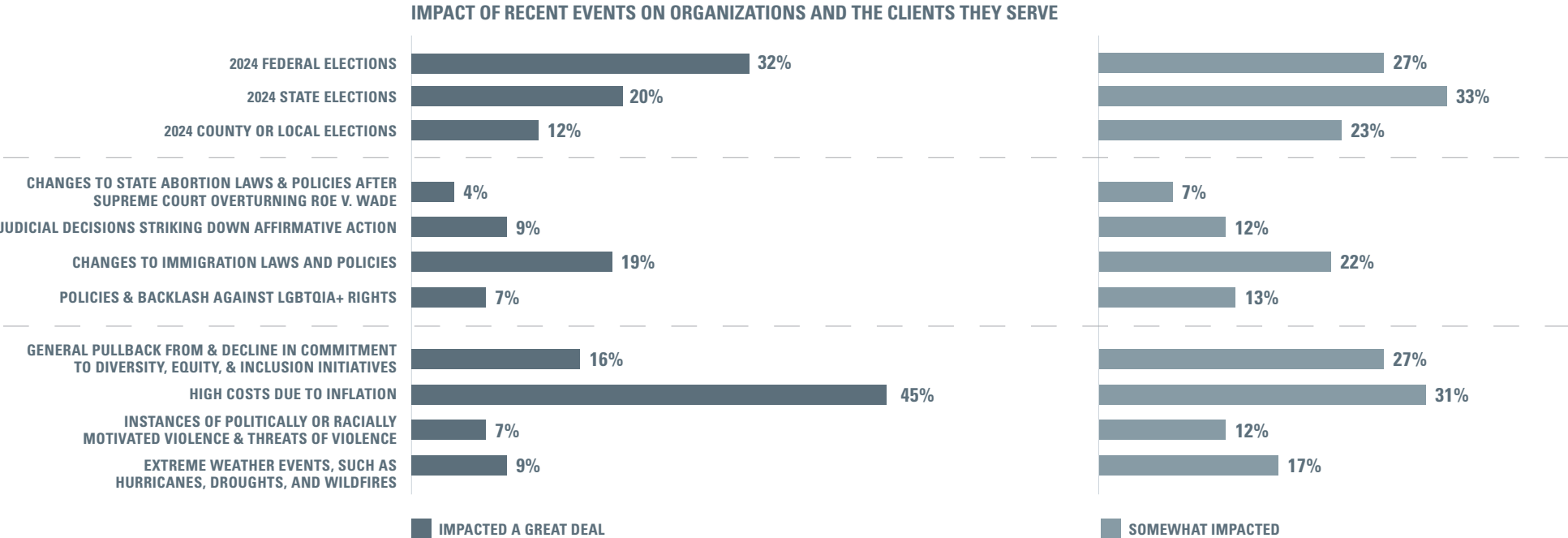


With changes to immigration policy, elections, and inflation, 2024 was a year of change for DFW nonprofits.

A majority of respondents (76%) reported that high costs due to inflation impacted their organization and the clients they serve in 2024. Compared to respondents nationally, nonprofits in DFW were more likely to report impact from state elections (53% in DFW reported impact, compared to 46% nationally). In 2025, organizations are preparing for increased demand from those they serve, monitoring changes in funding, pursuing new business models, and joining coalitions to advocate and partner.

We are preparing for potential shifts in federal funding, housing policy, and reentry services. We are strengthening advocacy, diversifying funding, and expanding community partnerships to ensure continued support for vulnerable populations.

Community development survey respondent in DFW

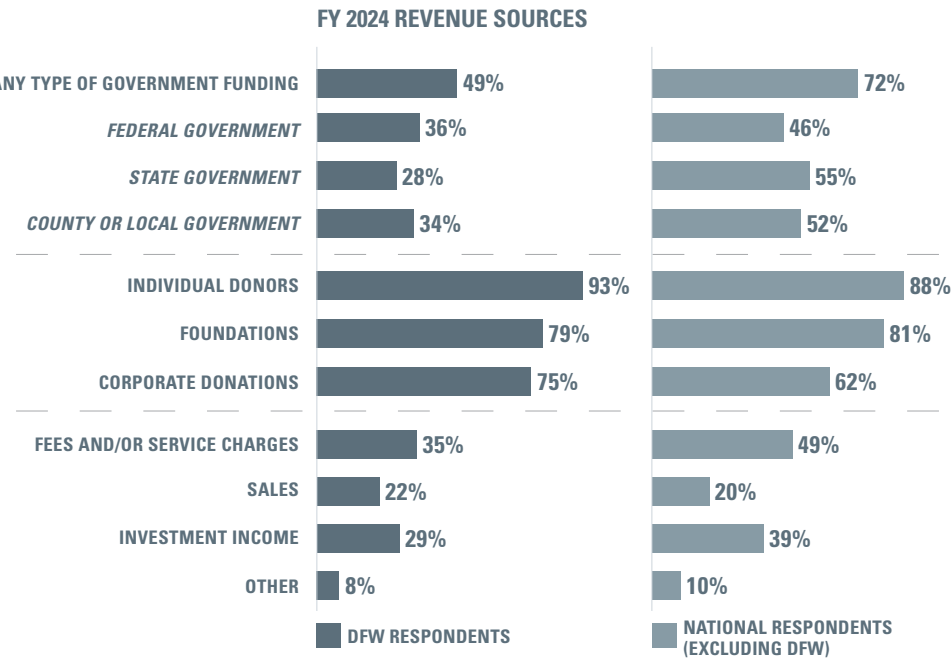


WHAT THE DATA TELLS US

NONPROFIT FUNDING DYNAMICS

Most DFW nonprofits rely on individual donors and foundation funding to operate.

Individual donors (93%) were a driving source of revenue for DFW respondents in 2024, followed by foundations (79%), and corporate donors (75%). A significantly lower percentage of nonprofits in DFW received government funding in 2024 compared to nonprofits nationally.

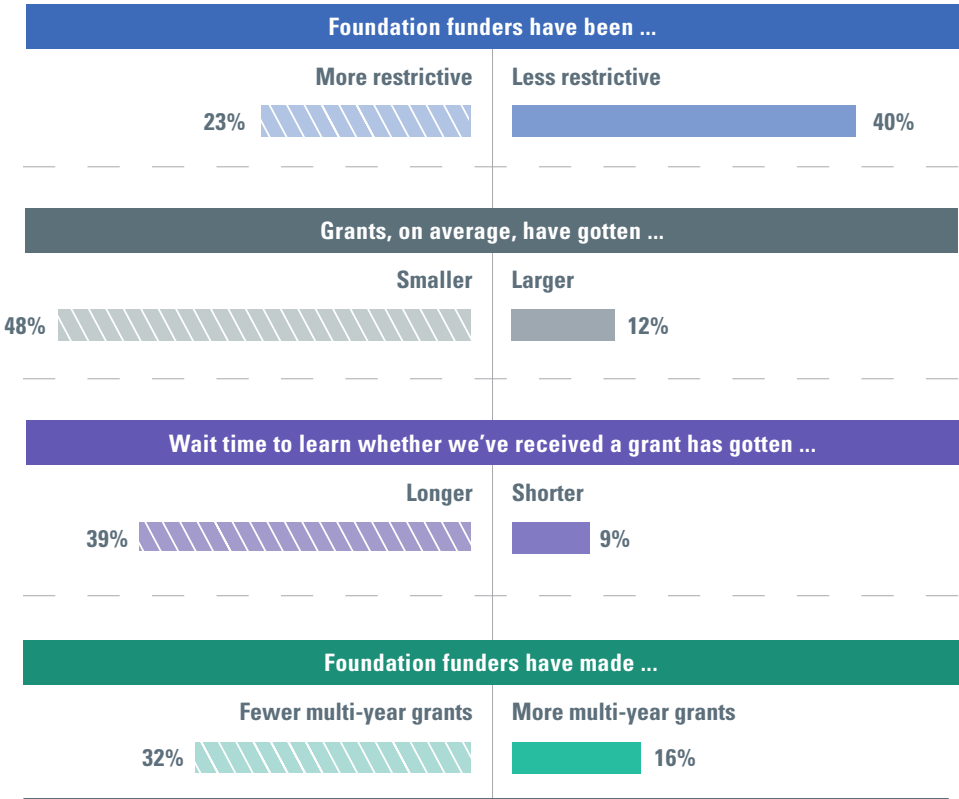


A CLOSER LOOK AT FOUNDATION FUNDING

Our 2025 survey explored how foundation funding practices have changed since late 2022, to see if supportive funder practices started during the COVID-19 pandemic have continued.

Among DFW respondents receiving foundation funding in 2024, 40% shared that funders have gotten less restrictive since late 2022. In general, respondents nationally reported experiencing more supportive funder practices than DFW respondents. For example, 16% of DFW respondents said funders are making more multi-year grants, while one-quarter (26%) of national respondents reported this. Additionally, 17% of DFW respondents shared that grant applications have gotten less complex, while nearly one-third (32%) of national respondents reported this.

CHANGES IN FOUNDATION FUNDING PRACTICES SINCE LATE 2022 (DFW RESPONDENTS)



CHANGES IN SUPPORTIVE FUNDER PRACTICES SINCE LATE 2022

	DFW respondents	National respondents (excluding DFW)
Foundation funders have been less restrictive with how we use grant funds	40%	40%
Foundation funders have made more multi-year grants	16%	26%
Grants, on average, have gotten smaller	48%	48%
Grant application processes have gotten less complex	17%	32%
Grant reporting requirements have gotten less onerous/less complicated/easier	18%	31%

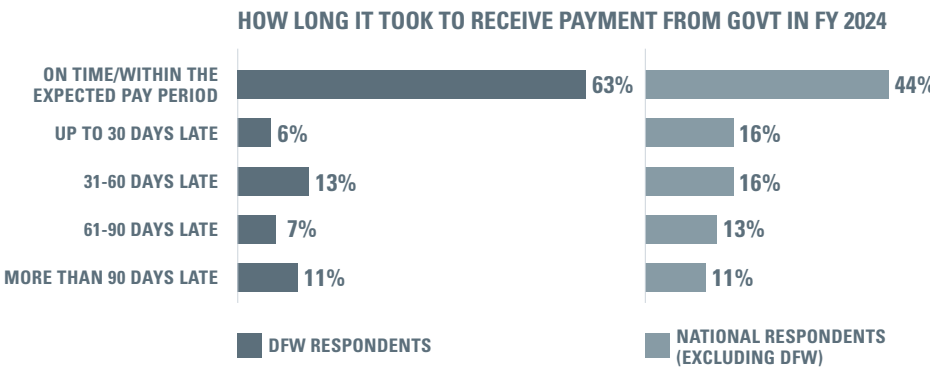
[We are] trying to secure funding for an increase in services [for] those who cannot afford to pay for them.

-Human services survey respondent in DFW

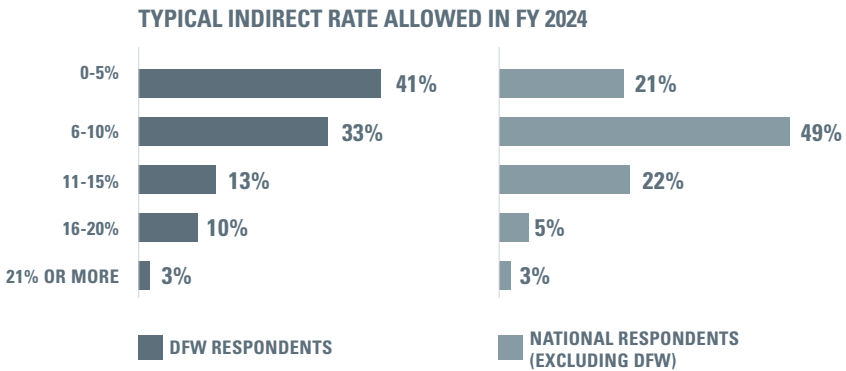


A CLOSER LOOK AT GOVERNMENT FUNDING

DFW respondents were less likely to receive government funding in 2024 compared to nonprofits nationally, and were also less likely to have ever applied for government funding. One-third (34%) of respondents have never applied for government funding, compared to 14% of national respondents. The leading reason that DFW respondents gave for not applying – reported by 49% of those that never applied – is that they feel their organization is too small. DFW respondents with government funding were more likely to be paid on time in 2024 than national respondents; 63% said they are paid on time, compared to 44% of nonprofits nationally.



DFW nonprofits reported a lower average allowable indirect rate than nonprofits nationally. In October 2024, [OMB put out guidance](#) recognized that the prior federal indirect rate of 10% was insufficient to run a healthy organization and raised their guidance to 15%. Two out of five (41%) DFW nonprofits are only receiving an indirect rate of 5% or less, as compared to 21% nationally.



Among the half (49%) of DFW respondents receiving government funding in 2024, 81% expected it to decrease as a result of the 2024 election, with 60% expecting it to decrease by more than 10%.



WHAT THE DATA TELLS US

NONPROFIT FINANCIAL HEALTH

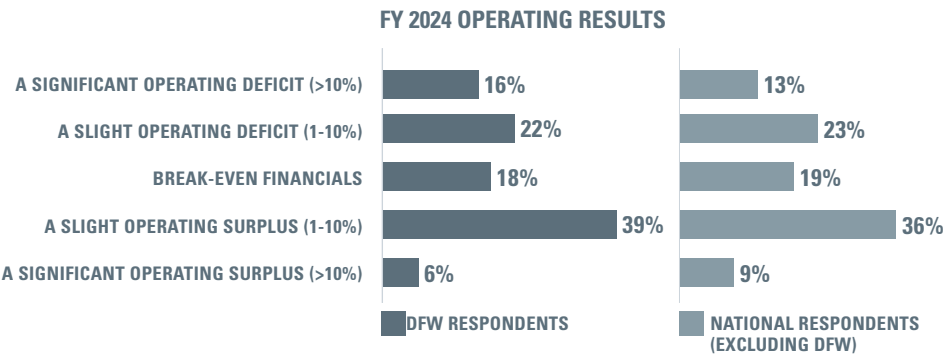


DFW nonprofits entered 2025 with fragile financial health.

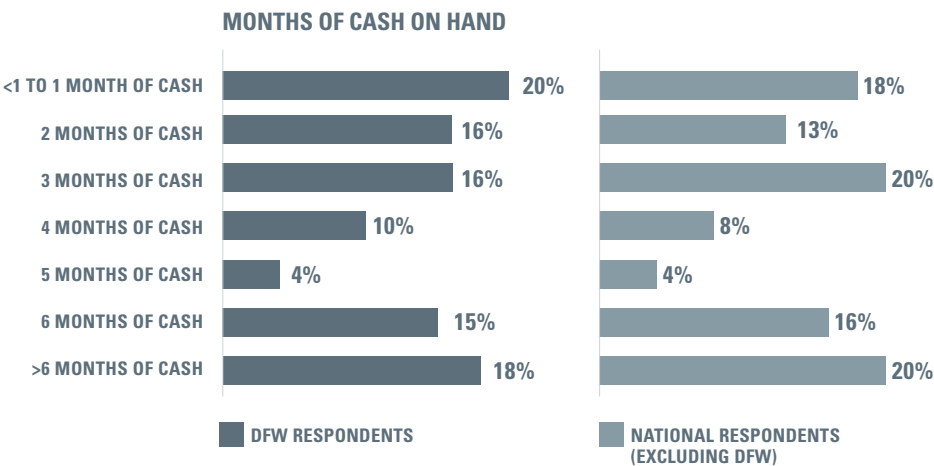
Given these funding dynamics, what is the financial state of DFW nonprofits? To understand short- and long-term nonprofit financial health, we look at two main indicators in this survey: operating surplus/deficit and months of cash.

METRIC	WHAT IT MEASURES
Operating Surplus or Deficit	Whether your organization ended the year with more revenue than expenses (surplus) or less (deficit). A surplus supports stability and growth. A deficit limits flexibility, increases risk, and makes it harder to respond to urgent needs or invest in long-term change.
Months of Cash	How long your organization can operate with the cash it has today, assuming no new income. This is a key measure of liquidity. It indicates, for example, how long an organization could keep running if a crisis hit, or how much cash it has available to invest in opportunities.

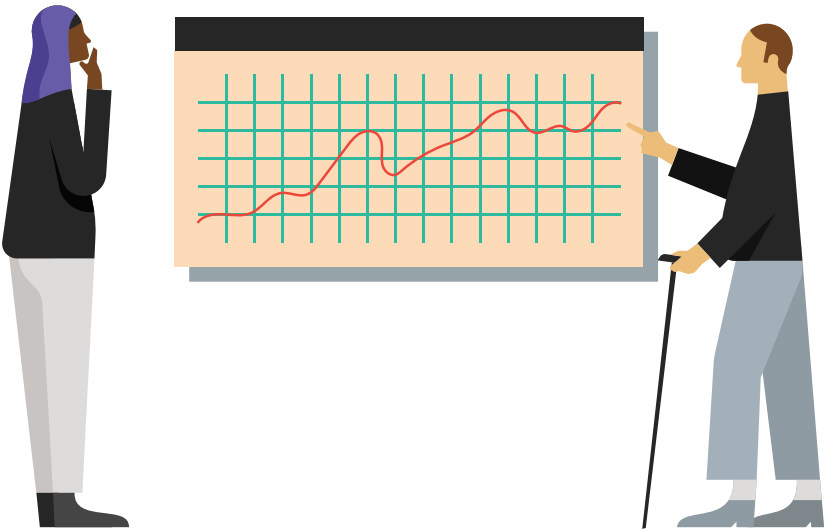
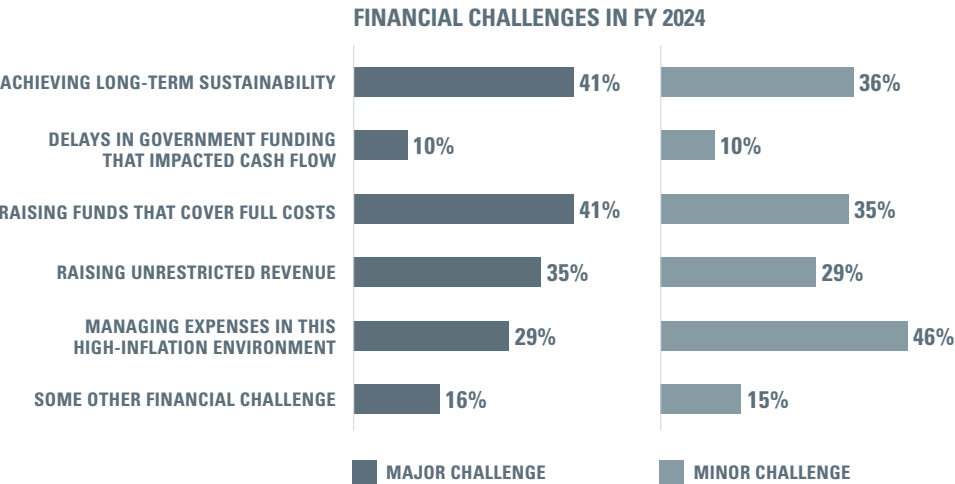
Many local nonprofits are struggling to cover their costs and don't have the cash on hand to manage delays or emergencies or to make strategic investments. 38% of DFW respondents reported an operating deficit in 2024 – on par with national respondents. Notably, in 2025, a greater proportion of nonprofits in our national sample reported deficits than in the past ten years of our survey data.



One out of five (20%) DFW nonprofits had one month or less of cash on hand. Two-thirds (68%) of DFW respondents reported having reserve funds separate from operating cash on hand, consistent with respondents nationally.



Three-quarters of DFW nonprofits reported challenges achieving long-term financial sustainability (77%), raising funds that cover full costs (76%), and managing costs in a high-inflation environment (75%) in 2024.



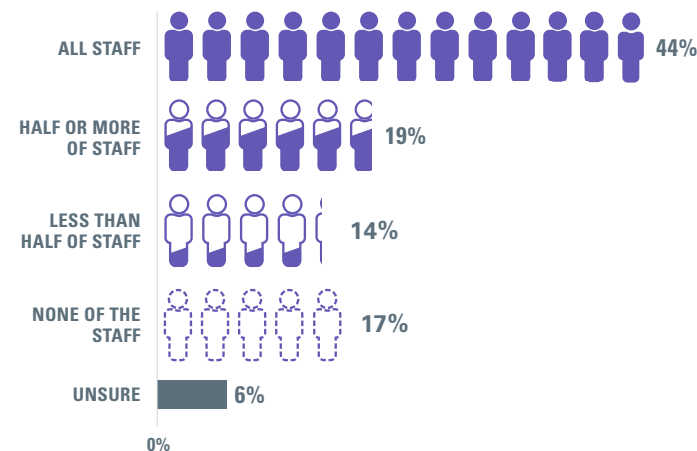
WHAT THE DATA TELLS US NONPROFIT WORKFORCE DYNAMICS



Many DFW nonprofits are unable to pay a living wage and provide core benefits to their staff.

49% of respondents in DFW cited the high cost of living as a management challenge. Only 38% of DFW respondents increased staff compensation in 2024, compared to 55% of national respondents. For families with two working adults and two children in Dallas County, each adult must earn more than \$25 per hour working full-time to support basic needs like housing, food, and childcare. For families with one working adult and one child in Dallas County, the adult must earn nearly \$38 per hour – almost \$80,000 per year – to support basic needs. Just 44% of DFW nonprofits were able to pay all full-time staff a living wage in 2024.

HOW MUCH OF YOUR FULL-TIME STAFF IS YOUR ORGANIZATION ABLE TO PAY A LIVING WAGE?



Many DFW nonprofits offered benefits to staff in 2024, but at a significantly lower rate than respondents nationally. 56% of DFW nonprofits offered paid sick time, compared to 78% of respondents nationally. Less than half (45%) offered health insurance, compared to 68% of national respondents, and less than one-third (31%) offered retirement fund contributions, compared to 56% of national respondents. Consistent with national trends, the ability to pay a living wage and offer benefits was dramatically lower for organizations with smaller budgets.

Most DFW nonprofits are struggling with employing enough staff to do the work.

We are continuing to offer nearly 20 days of office closure a year, plus five sick and five personal days. We are flexible with staff who come to us needing time off for a personal emergency, close friend or family death and elongated sickness or injury. We educate our team on their finances, taxes, and health and wellness options. We hold quarterly celebrations and team building to improve morale.

Social justice survey respondent in DFW

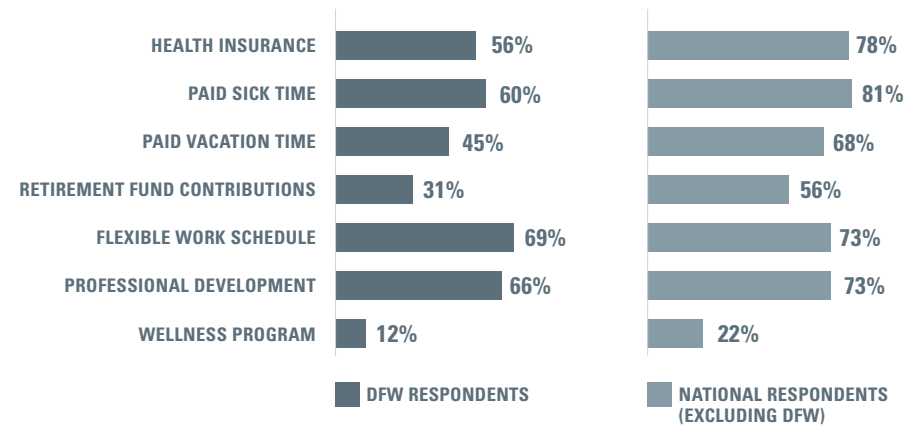
We make individual and group therapy available, as well as space for healthy venting. We have a dedicated calm space for self-regulation. We debrief often, especially after a stressful event. Most importantly, we have a vested interest in the health, wellness, and professional personal development of each staff member.

Human services survey respondent in DFW

We have a strong hybrid work model for the staff. We are creating partnerships to give extra benefits for mental health and wellness.

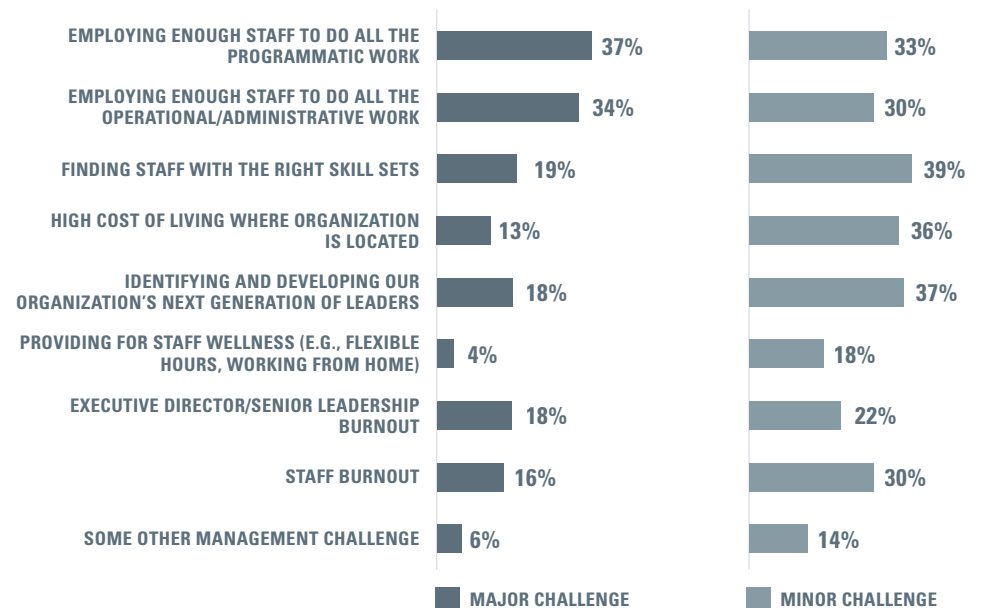
Arts/culture survey respondent in DFW

SELECT BENEFITS MADE AVAILABLE IN FY 2024*



*Other benefits nonprofits made available in 2024 included dental insurance, vision insurance, paid family leave above what the state provides, short-term disability, long-term disability, pre-tax account for medical expenses, pre-tax account for dependent care, and sabbaticals.

MANAGEMENT CHALLENGES IN FY 2024



GETTING THROUGH,
AND BUILDING
WHAT'S NEXT

WHAT WE CAN DO TO EMERGE STRONGER AS A SECTOR



Recommendations from our National Survey Report

From building community wealth and well-being, to housing, teaching, and inspiring, to creating jobs – nonprofits are essential infrastructure and the lifeblood of a strong and vibrant DFW. Yet in 2025, as costs climb, funding declines, and demand for services grows, this infrastructure is under strain. How can we take action for nonprofits to thrive so that our communities thrive?

The following recommendations for funders and nonprofits come from [NFF's National State of the Nonprofit Sector Survey report](#):

- **Be Creative, Adaptive, and Brave to Meet the Moment**

- **For funders:** Increase your payout percentage, adapt your standard processes, listen to your grantees and pivot based on what you hear. Have conversations internally about how to better support fundamental benefits for the people at the nonprofits you fund.
- **For nonprofits:** Assess your current situation, develop budget scenarios, vocalize your story and needs – early and honestly. Know the [rules that apply for nonprofit civic engagement](#) and use your voice on the issues that matter most to your organization and communities.

- **Acknowledge – and Invest in – What It Truly Takes to Do the Important Mission Work**

- **For funders:** Fund full costs, give multi-year, flexible funding, invest in workforce well-being and leadership sustainability, elevate the role and essentiality of nonprofits in public narrative.
- **For nonprofits:** Calculate and advocate for your full costs and make clear the community impact of dollars invested in your organization.

- **Collaborate as a System**

- **For funders:** Work collaboratively with each other, invest in systems and coalitions, introduce nonprofits to funders and others who can offer support.
- **For nonprofits:** Build power with your network, share and leverage resources, support each other as leaders.

- **Extend Grace – to Yourself and Others**

Be compassionate with yourself during this time of heightened stress and fatigue, and focus your incredible energy on supporting your community, your team, and your peers.

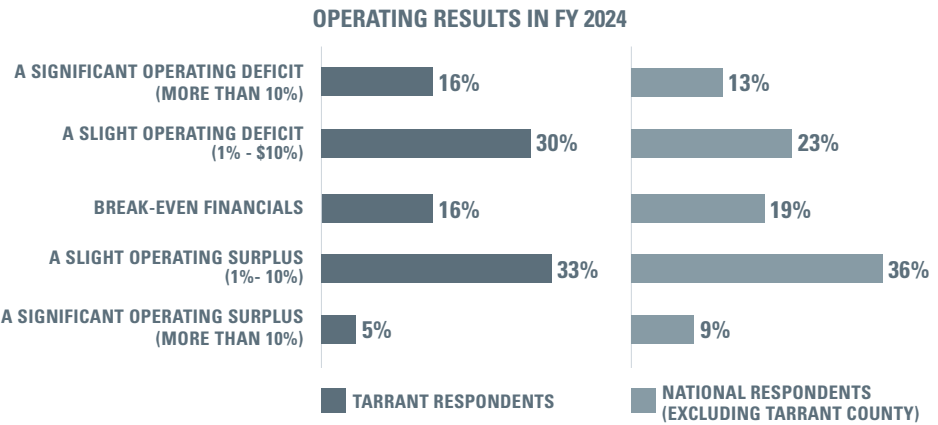
A CLOSER LOOK AT TARRANT COUNTY NONPROFITS



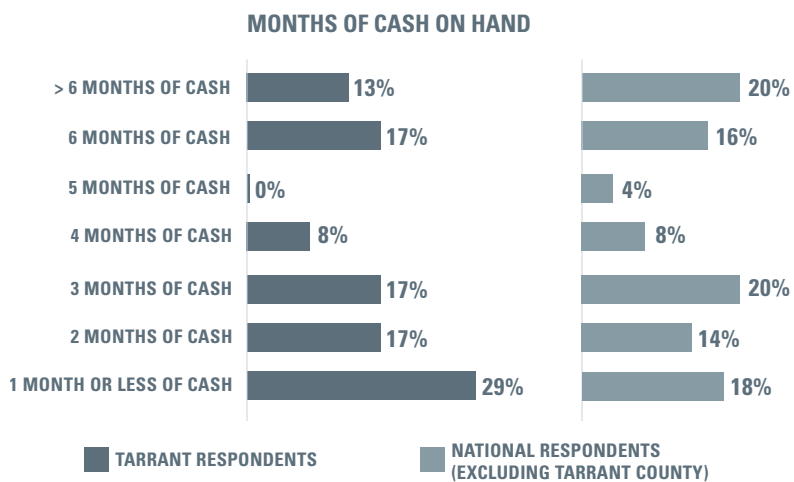
Tarrant County nonprofits reported a more challenging financial picture than those nationally.

Tarrant County has a vital nonprofit infrastructure due to its diverse population, rapid growth, and wide-ranging socioeconomic needs. Nonprofits play a crucial role in addressing issues such as affordable housing, food insecurity, education gaps, healthcare access, and workforce development.

Of the 131 DFW nonprofits that took the 2025 State of the Nonprofit Sector Survey, 62 organizations were from Tarrant County. Generally, Tarrant County respondents had similar characteristics to respondents from the broader DFW region. A key area where Tarrant County respondents differed from DFW and national respondents, however, were the financial dynamics they experienced. Tarrant County respondents were more likely to have experienced an operating deficit in 2024; 46% of Tarrant County respondents reported a deficit, compared to 36% of national respondents.



Tarrant County respondents generally reported having less cash on hand to manage the day-to-day operations of their organizations. Close to one-third (29%) of Tarrant County respondents had one month or less of cash on hand, compared to 18% of national respondents. 70% of Tarrant County nonprofits did report having reserve funds, on par with the respondents nationally.



While Tarrant County respondents entered 2025 on fragile financial footing, they continue their commitment to serving the local community and are preparing for how to maneuver in the current moment and build strength for the future.

We are preparing to provide much-needed safe space for our community that’s hurting, and to take a more vocal stance as an organization about protecting the rights of all humans, whether directly related to our mission or not. We are preparing for potential funding issues and backlash as a result, but it’s important to us that we do the right thing in this difficult time.

Education survey respondent in Tarrant County

[We provide] close partnerships with other arts orgs and non-profits/schools, unconditional care and kindness and support for artists, bold, innovative and risk taking in programming.

Arts/culture survey respondent in Tarrant County

We are increasing our approach to corporations and foundations in light of the anticipated decrease in Federal Government funding.

Housing/shelter survey respondent in Tarrant County



ACKNOWLEDGEMENTS

Nonprofit Finance Fund® (NFF®) is a nonprofit lender, consultant, and advocate. For 45 years, we've helped organizations access the money and resources they need to realize their communities' aspirations. Alongside others, we're working to build community wealth and well-being and put affordable housing, essential services, quality jobs, and excellent education within reach of more people.

The National 2025 State of the Nonprofit Sector Survey was made possible through the generous support of our sponsors.

Nonprofit Finance Fund thanks Charles Schwab Bank for their support of this Dallas-Fort Worth report, as well as Communities Foundation of Texas, North Texas Community Foundation, and United Way of Metropolitan Dallas.



Thank you to our local survey distribution partners: Center for Nonprofit Management, Rainwater Charitable Foundation, United Way of Tarrant County, and the many other community partners that helped share the survey.