

Common Good Vermont

**UNITING VERMONT'S NONPROFIT SECTOR
FOR THE COMMON GOOD**

Common Good Vermont is a statewide program of United Way of Northwest Vermont



Common Good Vermont

Common Good Vermont is the only **statewide** program dedicated to **uniting, strengthening, and advocating** for Vermont's nonprofit sector. Common Good Vermont serves as the **“go-to” resource** for nonprofits to share **resources, gain skills, and build partnerships.**

Connect. Thrive. Learn.



Education

Certificate Programs
Webinars
Technical Assistance
Consultant Network / Directory
News and Resources



Advocacy

Sector Issues
Information Sharing & Public
Awareness
Sector Data
Wages & Benefits Report



Connection

Vermont Nonprofit Summit
Membership
Convenings
Nonprofit Jobs & Board
Opportunities Boards

Our Services



What is a Nonprofit?

- Public, not private interests - no part of the organization's net earnings can inure to the benefit of any private shareholder or individual.
- When we talk about nonprofits, we are often referring to 501(c)(3) organizations which includes "public charities" and "private foundations" - one of the many types of tax-exempt organizations under the U.S. tax code.
 - They must be organized for "charitable, religious, educational, scientific, literary, testing for public safety, fostering national or international amateur sports competition, and preventing cruelty to children or animal" purposes.
 - These are organizations providing human services, shelter, arts programming, and youth services – just to name a few.



Entered the world born in a nonprofit hospital—nearly half of America’s hospitals are nonprofit.



Developed life skills like conflict resolution and teamwork through Girl Scouts, Little League, 4-H, or other youth development organizations.



Enjoyed family vacations at nonprofits such as the San Diego Zoo, the Museum of Science and Industry in Chicago, or the Metropolitan Museum of Art of New York City.



Avoided polio because March of Dimes raised research funds to discover a safe and effective vaccine, and escaped other diseases because of scientific research by nonprofits.



Attended a nonprofit preschool, grade school, high school, college, or graduate school, perhaps with support of a nonprofit scholarship fund.



Inhaled cleaner air in tobacco-free restaurants thanks to the work of public health nonprofits.



Attended services at a house of worship maintained by one of the nearly 350,000 nonprofit religious congregations.



Exercised your rights to vote, to education, to travel, to equal treatment under the law and other rights secured and protected by nonprofits.



Enjoyed the natural wonder and splendor of America’s rivers, forests, and open spaces due to the work of nonprofits committed to conservation and our environment.



Learned how to swim through lessons at the local JCC, YMCA, or scout camp.

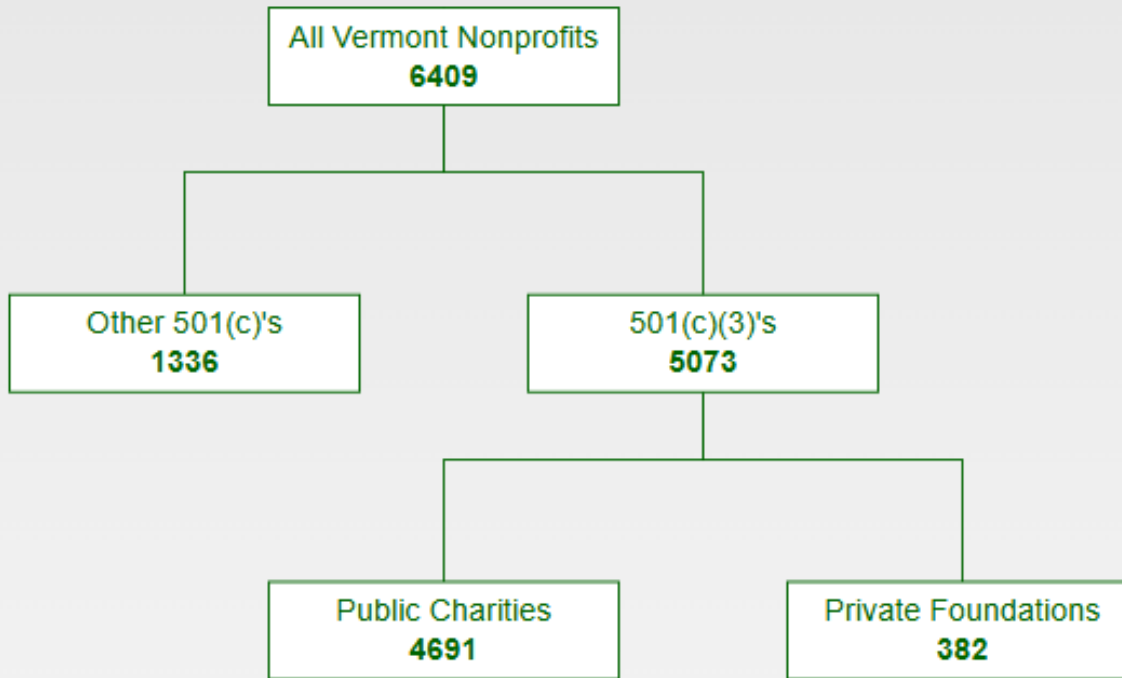


Visited historic treasures and places of natural beauty preserved by nonprofits.



Laughed, relaxed, rejoiced, and were inspired at nonprofit arts performances.

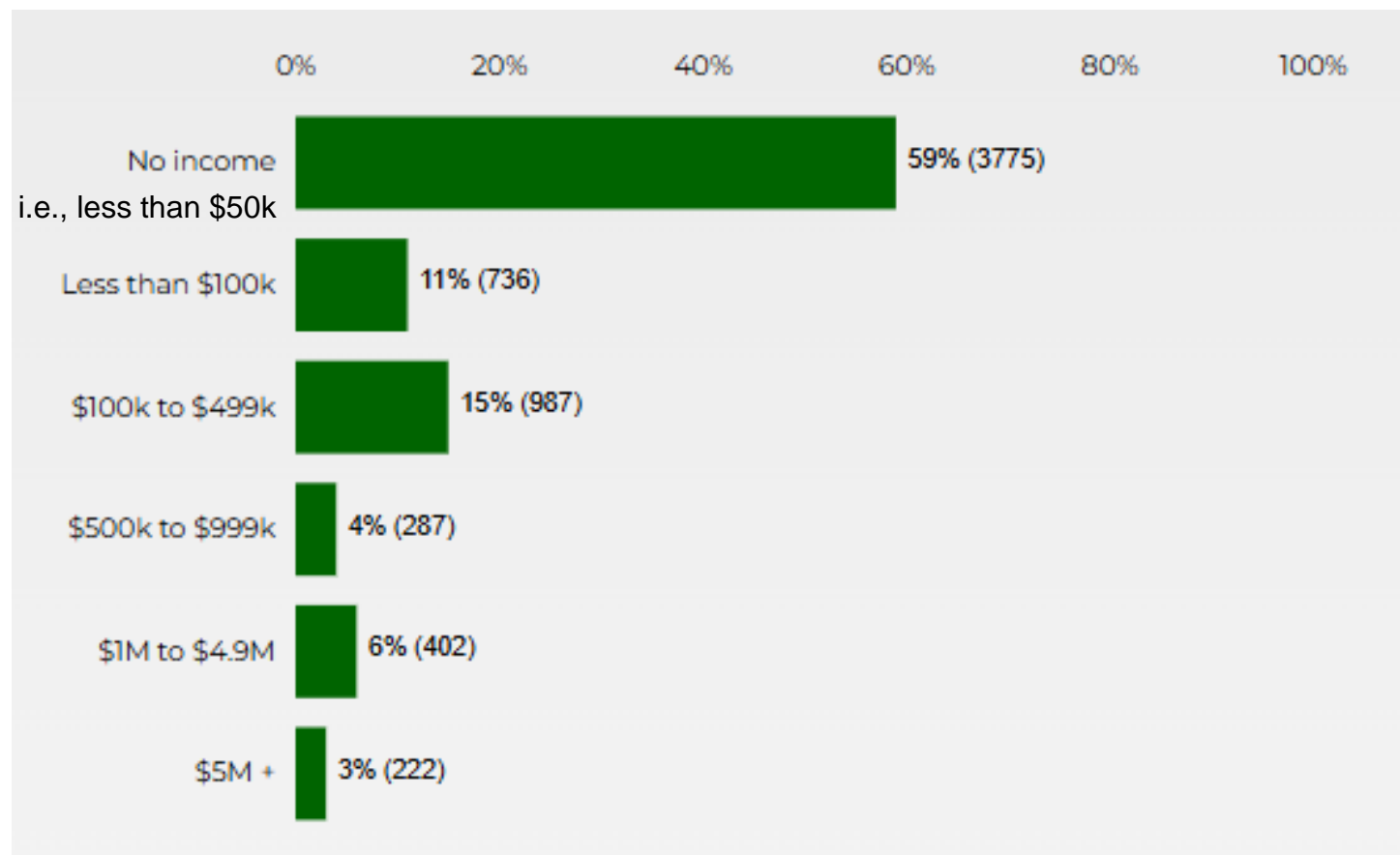
Overview of Vermont's Nonprofit Sector



Source: IRS Master File for NonProfit Business (June 2024)

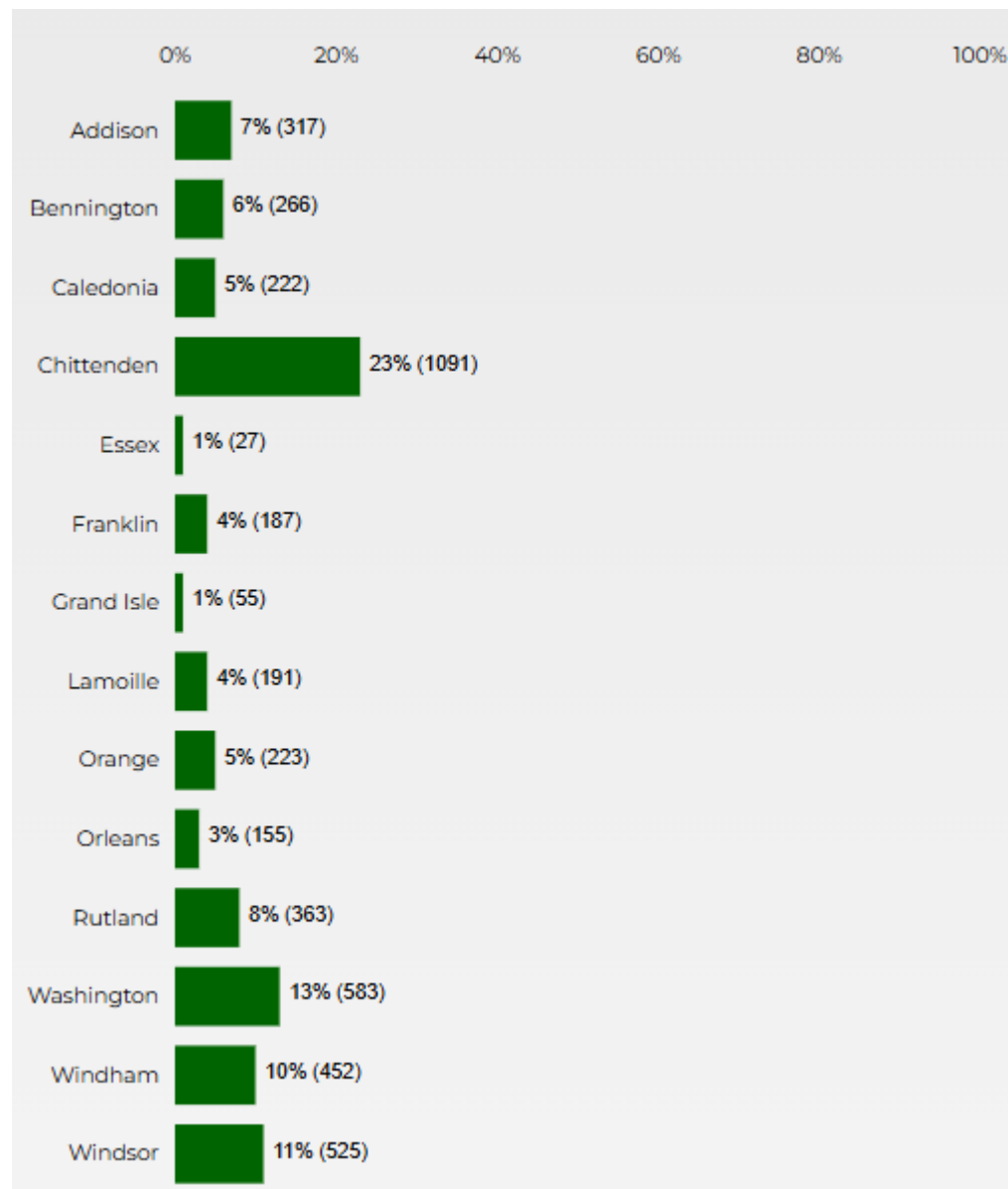
Nonprofits by Revenue

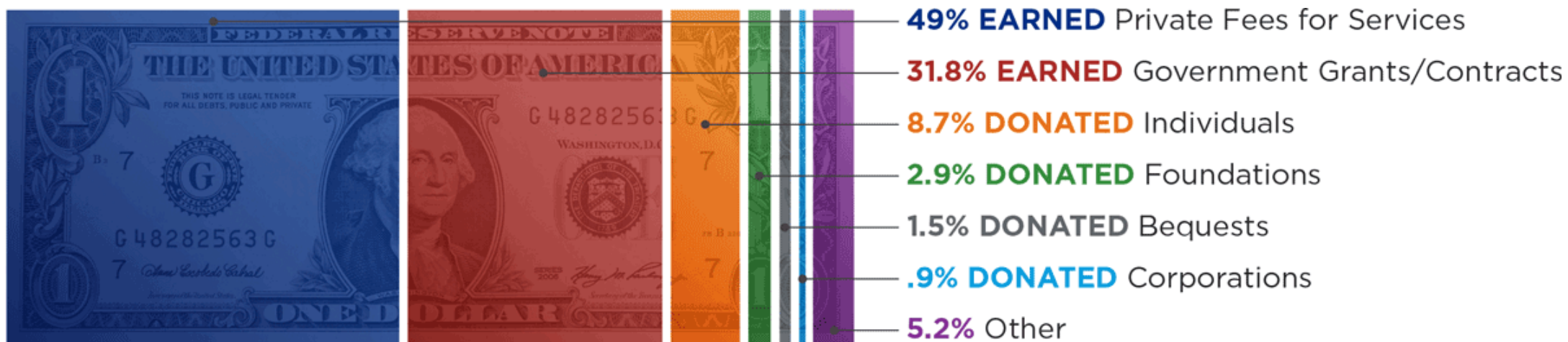
All Nonprofits



Nonprofits by County

All Nonprofits





Source: National Council of Nonprofits

The entire nonprofit sector earns more than 80% of its revenue via private fees for services and performing government grants and contracts (although each individual nonprofit has its own revenue mix—there is no standard one-size-fits-all).

HOW NONPROFITS FUND THEIR MISSIONS

Vermont Nonprofits Are Economic Drivers

1 in 5 Vermont Workers Works for a Nonprofit



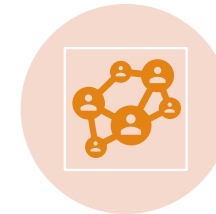
Vermont nonprofits are the largest industry after state government, paying over \$3 billion in wages which employees pay taxes on.



Nonprofits consume goods and services that create more jobs and generate economic activity.



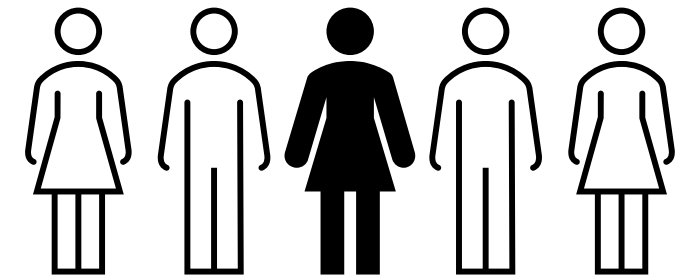
Nonprofits spur economic activity (ex: those attending a performance at a nonprofit community theater are likely to spend money at other local businesses).



Nonprofits also create work opportunities for millions of individuals above and beyond the millions they employ directly (ex: childcare providers and workforce development programs).



Nonprofits attract residents and other employers (ex: health services, museums, and outdoor recreation organizations make our communities a more desirable places to live, play and work).



Priorities for Vermont's Vital Nonprofit Sector



Priority: State Grant & Contract Reform

The Problem:

- State funding has not kept up with rising costs, and many grant agreements require nonprofits to cover costs before being reimbursed.
- System processes create additional challenges for organizations.

The Result:

- Organizations are struggling to offer competitive wages to hire reliable, qualified staff while keeping up with needed programming and facilities maintenance.
- Oftentimes contract execution and payments are late, sometimes requiring nonprofits to obtain an interest-bearing line of credit to bridge receipt of grant funds.
- Complicated and restrictive reporting requirements take valuable capacity away from mission-critical work.

Priority: State Grant & Contract Reform

We must consider needed reforms to the State's grant and contracting system to make it more viable, predictable, and efficient to ensure taxpayers receive full value for the programs they fund, organizations can recruit and retain skilled employees to deliver vital services, and that community needs are met now and in the future.

The Solution:

- Create a process and formula for nonprofits to request an indirect rate above the current standard of 15%.
- Assess the extent to which grant execution and payments are delayed by more than 30 days.
- Create a Working Group to consider needed reforms to the State's grant and contracting system to make it more viable, predictable, and efficient.

Priority: State Grant & Contract Reform

Technical Assistance

Common Good Vermont provides training and technical assistance to Vermont's nonprofits.

We propose to expand the scope of our work to support organizations with the management of grants and contracts through the State.

We seek State funding to fill a gap in grant and contract support for the sector and create efficiencies for both nonprofits and the State. Budget, \$226,470.

This work would include: applying for State grants, grants management and reporting, financial management, and invoicing and disbursement management.

Priority: Workforce

Housing

- Following compensation competition, access to housing/affordable housing topped the list of challenges in hiring for responding nonprofits.*

Health Insurance Costs

- In Vermont, ninety-four percent (94%) of participating organizations report health insurance rate increases (up from 52% in 2022), compared to eighty-five percent (85%) across Northern New England.*

Fair Funding

- Almost half (43%) of responding Vermont organizations report they anticipate increasing staffing in the next year and forty-five percent (45%) of responding organizations report job vacancies.*
- 58% of responding nonprofits cited compensation competition as a hiring challenge.*

*2024 Nonprofit Wages & Benefits Report

Priority: Community Safety

Nonprofits are uniquely positioned as both employers and service providers deeply embedded in their local communities.

Areas of Concern:

- Direct Service Impacts: staff safety, complex client needs, costs of enhanced security measures
- Systemic Challenges: insufficient affordable housing and mental health/substance use treatment options, rural vs urban resource/service disparities, balancing crisis response and prevention
- Community Impact & Perception: polarization, balancing safety with maintaining welcoming spaces, stigmatization, lack of public understanding of nonprofit constraints and efforts

Needs & Solutions:

- Invest in affordable housing and mental health/substance use treatment
- Provide adequate resources to organizations responding to immediate needs
- Foster inclusive community dialogue, address stigma and misinformation
- Center equity and compassion in accountability approaches



Thank you!