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FOR IMMEDIATE RELEASE

New State of the Sector Report Shows Nonprofits Essential Yet Struggle to Meet Growing Demand

New research highlights nonprofits' \$8.1 billion economic impact and identifies a \$200 million capacity gap statewide

IDAHO – Idaho nonprofits play a critical role in strengthening communities, supporting families, and driving the state's economy, according to the newly released 2026 State of the Sector Report from the Idaho Community Foundation. The report also reveals growing challenges facing the sector as demand for services increases while funding remains uncertain.

The report found that Idaho nonprofits employ more than 81,000 people, contribute \$8.1 billion to Idaho's Gross State Product, and rank as the **state's fifth-largest private sector employer**. At the same time, many organizations report being stretched beyond capacity to meet community needs.

Among the report's key findings:

- 51% of Idaho nonprofits reported serving more people in 2025 than the year before.
- 63% anticipated demand for services will continue to increase.
- 51% were unable to fully meet demand for their services in 2025.
- 43% drew on cash reserves to cover operating costs.
- An estimated **\$200 million capacity gap** exists between the services Idaho nonprofits provide today and the growing needs of communities across the state.



“Nonprofits are woven into nearly every aspect of life in Idaho,” said **Kevin Bailey**, Idaho Community Foundation’s Vice President, Impact & Nonprofit Center. “They help families access healthcare, housing, food, education, recreation, arts, culture, and countless other services. This report demonstrates both the tremendous value nonprofits bring to Idaho and the growing challenges they face as demand outpaces available resources.”

The report also examines what it calls the “philanthropic gap,” noting that government funding supports nearly \$400 million annually in essential nonprofit-delivered services across Idaho, excluding charter schools. As public funding becomes less predictable, philanthropy remains a critical source of support, though current giving trends alone are unlikely to replace potential funding losses.

Developed in partnership with the University of Idaho’s Vandal Impact Center and informed by statewide nonprofit research, the report provides a comprehensive look at the economic contributions, health, capacity, and future sustainability of Idaho’s nonprofit sector.

The Idaho Community Foundation encourages Idahoans to explore the findings and learn how they can support the organizations working every day to strengthen communities throughout the state. The complete 2026 State of the Sector Report is available at idahocf.org/state-of-the-sector.

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About the Idaho Community Foundation

For nearly 40 years, the Idaho Community Foundation (ICF) has helped generous Idahoans invest in the people, places, and causes they care about. Through our statewide programs, including The Nonprofit Center and Idaho Gives, ICF strengthens communities by growing philanthropy, elevating nonprofit impact, and connecting Idahoans to opportunities to give back. Learn more at idahocf.org or contact us at info@idahocf.org.