

Research Paper

The Financial Health of Nonprofit Workers

Understanding Their Financial Lives
and Workplace Benefits

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Executive Summary

The nonprofit sector is critical to the well-being of our economy and our communities. But for the sector to be most impactful, nonprofits themselves and their workers must be Financially Healthy. This paper uncovers which nonprofit workers are more often Financially Healthy, and those who are more often Financially Vulnerable. We also investigate how components of job quality that contribute to financial health vary across the nonprofit sector, particularly workplace benefits. These findings highlight opportunities to strengthen the nonprofit employment value proposition and, in turn, support the financial health of the workers who power this vital sector of our economy.

Key Findings

Nonprofit workers experience similar financial health challenges as workers in other sectors.

Approximately 70% of nonprofit workers are not Financially Healthy. In addition, about 1 in 7 workers are Financially Vulnerable, aligning with broader workforce trends.

Workers outside of university and hospital settings, and workers in organizations with annual budgets of less than \$1 million, are more often Financially Vulnerable.

These workers were also less likely to report access to workplace benefits, which can influence their financial health.

Financial health among nonprofit workers varies substantially by race and gender.

For instance, white workers were more likely to be Financially Healthy (41%) compared with their Hispanic and Black nonprofit colleagues (22% and 20%, respectively). And despite making up the majority of the workforce, women nonprofit workers were less likely to be Financially Healthy than their male colleagues.

1 in 7 nonprofit employees lacks access to at least one core employer-sponsored benefit, and only half have access to all four core workplace benefits we assess.

When looking at four core workplace benefits (vacation/personal leave, sick leave, retirement plans, and health insurance), we find there is a high takeup of these benefits when offered. This high takeup is true across the nonprofit sector, showing workers value benefits that can directly support their financial health.¹

Vulnerable groups reported the lowest satisfaction with their benefits offerings.

Workers at smaller-budget organizations, workers who are Financially Vulnerable, and Black and Hispanic nonprofit workers reported lower satisfaction with benefit offerings, particularly wages, time off, and health insurance.

Nonprofit workers value wages 3.3x as much as their next most-valued work attribute, work/life balance.

A job's salary or wages rose to the top when nonprofit workers were asked what attributes of a job were most important. Other important attributes included key financial health benefits like health insurance and retirement plans, and work arrangements that help workers meet their obligations both at and outside of work.

Introduction

Exploring a Vital Yet Understudied Part of the U.S. Workforce

A strong nonprofit sector – one with organizations operating on sound financial footing and with a robust workforce carrying out its missions – is vital to provide the services and support so inherent to community success. It is also an essential part of the larger U.S. economy.

Over 12 million people work for a nonprofit, a number which has grown steadily over the past two decades.² In fact, even during the Great Recession, the nonprofit sector grew while other sectors contracted.³ The sector contributes more than \$1.4 trillion to the economy annually, accounting for 5.2% of GDP.⁴

¹ Throughout the report, we describe vacation/personal leave, sick leave, retirement plans (401(k), 403(b) and/or pension plans), and employer-sponsored health insurance as “core” benefits because these are the most common workplace benefits in the civilian private-sector workforce, based on the authors’ analysis of U.S. Bureau of Labor Statistics, National Compensation Survey (NCS) data from “[Employee Benefits in the United States](#),” 2024.

² “[Nonprofits: A Look at National Trends in Establishment Size and Employment](#),” Bureau of Labor Statistics Monthly Labor Review, January 2024.

³ Ibid.

⁴ “[Health of the U.S. Nonprofit Sector](#),” Independent Sector, December 2024.

The nonprofit sector includes organizations across a wide range of subindustries. To qualify, a nonprofit must be organized for one or more of the purposes defined by the Internal Revenue Code and secure tax-exempt status.⁵ These organizations represent a substantial portion of the workforce, accounting for 10% of private sector workers and about 9% of all U.S. workers total.

And while nonprofits exist in nearly every industry, they are particularly prevalent employers for specific subcategories: 94% of private sector (nongovernment) college and university workers (1.2 million people) are employed by nonprofit institutions, while 85% of private sector (nongovernment) hospitals workers (4.3 million people) are also nonprofit employees. Other industries, such as religious organizations and social advocacy, also have high proportions of nonprofit workers (see Tables 1 and 2).⁶

Table 1. Industries with the highest numbers of nonprofit workers.

Industry	Number of nonprofit workers in industry or subindustry	Proportion of nonprofit workers in the industry or subindustry ⁷
All industries	12,766,057	9%
Health care and social assistance (includes hospitals)	8,460,493	38%
Hospitals	4,328,553	66%
Educational services (includes colleges & universities)	2,092,840	17%
Colleges & universities	1,154,827	39%

Source: Author's analysis of Bureau of Labor Statistics Quarterly Census of Employment and Wages 2022 Annual Figures. Accessed on May 8, 2025 from "[Nonprofit Works Data Explorer](#)," George Mason University.

⁵ The Internal Revenue Code has several sections to define tax-exempt organizations. Organizations may qualify as tax exempt 501(c)(3) if they have an exempt purpose, including religious, charitable, scientific, testing for public safety, literary, educational, fostering amateur sports competitions, and preventing cruelty to children or animals. Organizations may also qualify for tax exemption as other 501(c) organizations, including civic and social welfare organizations, labor associations, business leagues, social clubs, and employee associations. See "[Tax-Exempt Status for Your Organization](#)," Internal Revenue Service, last updated January 2025. .

⁶ Chelsea Newhouse and Alan Abramson, "[Nonprofit Employment in the States: 2017-2022](#)," George Mason University's Schar School of Policy and Government, 2024.

⁷ The denominator includes those employed by private for-profit firms, private nonprofit organizations, government, and those who are self-employed.

Table 2. Industries with the highest proportions of nonprofit workers (2022).

Industry	Number of nonprofit workers in industry or subindustry	Proportion of nonprofit workers in the industry or subindustry ⁸
All industries	12,766,057	9%
Community food, housing, emergency, and other relief services	184,478	89%
Grantmaking and giving services	136,189	87%
Religious organizations	163,187	85%
Social advocacy organizations	208,874	83%

Source: Author's analysis of Bureau of Labor Statistics Quarterly Census of Employment and Wages 2022 Annual Figures. Accessed on May 8, 2025 from "[Nonprofit Works Data Explorer](#)," George Mason University.

Yet these workers remain relatively understudied compared with other parts of the labor market. Not only is less data collected about nonprofit employees, but it is also reported less frequently.^{9,10} This gap in data and visibility is especially concerning given ongoing challenges in the sector, including job vacancies and staffing shortages.¹¹ Furthermore, there is evidence of workers in the sector living financially precarious lives. For example, research estimates that about 3 million nonprofit workers (nearly 1 in 4 industry workers total) earn wages falling below the ALICE Threshold of Financial Survival, a measure of earnings that supports the basic cost of living in their communities.¹²

Understanding the factors that shape nonprofit job quality is more important than ever as the sector may be facing a contraction: Data collected in 2025 by the Chronicle of Philanthropy shows the nonprofit sector is shedding jobs, with industry job losses possibly exacerbated by the slowing or cancellation of government grants.¹³ An analysis by Candid also shows that if all government grants to nonprofits were stopped, over 14,000 nonprofits employing nearly 2.8 million workers would exhaust their cash reserves within three months.¹⁴

⁸ Ibid.

⁹ "[Charitable Sector Letter to President Biden](#)," October 2024.

¹⁰ For example, nonprofits are not included in quarterly data reporting through the Bureau of Labor Statistics' Quarterly Census on Employment and Wages (QCEW). Data are instead released every five years.

¹¹ "[Nonprofit Workforce Survey Results: Communities Suffer as the Nonprofit Workforce Shortage Crisis Continues](#)," National Council of Nonprofits, 2023.

¹² ALICE (Asset Limited, Income Constrained, Employed) refers to people in households that earn above the federal poverty level but still can't afford basic living expenses. See "[Nonprofits: a look at national trends in establishment size and employment](#)," U.S. Bureau of Labor Statistics, January 2024.

¹³ Sara Hershander, Tamara Straus, & Elizabeth Haugh, "[20,000 Nonprofit Jobs Lost as Federal Cuts Deepen](#)," The Chronicle of Philanthropy, April 2025.

¹⁴ Anna Koob, "[How Long Can Nonprofits Survive Without Government Grants?](#)," Candid, May 2025.

It's essential to focus on this segment of today's workforce for the collective success of our economy and society. The nonprofit sector includes organizations that are explicitly focused on charitable and social good activities.¹⁵ They serve vital functions in our communities, provide and connect people to public goods, and maintain our social safety net.^{16,17} The ability of these organizations to deliver these services and contribute to their communities depends on both the organization's financial stability as well as the financial well-being of its workforce.

This paper, which leverages a nationally representative survey of nonprofit workers, shows there are concerning gaps in financial health among workers in the sector and that many workers lack access to workplace benefits. Specifically, we find that:

1 in 7 nonprofit workers are Financially Vulnerable.

This segment experiencing Financial Vulnerability mirrors that of other sectors, where we see similar financial health figures.

Workers outside university and hospital settings, and workers in organizations with annual budgets of less than \$1 million, are more often Financially Vulnerable.

We also found substantial racial and gender gaps in financial health within the nonprofit workforce when comparing Black workers, Hispanic workers, and white workers, and when comparing men and women. This indicates how much financial health varies by workplace characteristics and worker demographics.

At least 1 in 7 nonprofit workers lacks access to a core workplace benefit: health insurance, paid vacation, paid sick leave, and employer-sponsored retirement plans.

Only half (52%) of the workforce has access to all four core workplace benefits.¹⁸ Financially Vulnerable workers have less frequent access to these benefits compared to their Financially Coping and Financially Healthy peers.

¹⁵ ["Economic Impact of Nonprofits,"](#) National Council of Nonprofits.

¹⁶ Jack Salmon, ["Growth of the Nonprofit Sector: More Charities, Better Solutions,"](#) Philanthropy Roundtable, September 2024.

¹⁷ Scott W. Allard & Elizabeth Pelletier, ["Volatility and Change in Suburban Nonprofit Safety Nets,"](#) The Russell Sage Foundation Journal of the Social Sciences, February 2023.

¹⁸ Throughout the report, we describe vacation/personal leave, sick leave, retirement plans (401(k), 403(b), and/or pensions plans), and employer-sponsored health insurance as "core" benefits because these are the most common workplace benefits in the civilian private-sector workforce, based on authors' analysis of U.S. Bureau of Labor Statistics, National Compensation Survey (NCS) data from ["Employee Benefits in the United States,"](#) 2024.

Workers in non-hospital and university settings and workers in nonprofits with small annual budgets (<\$1 million) also less frequently have access to workplace benefits.

When offered, there is high takeup of workplace benefits directly supporting financial health needs.

This high takeup holds true across subindustries, in particular of “core” benefits including paid vacation, sick leave, retirement plans, and health insurance.

We find opportunities to improve workers’ satisfaction with the total compensation offered by their nonprofit employers.

While a majority of workers are satisfied with components of their total compensation, a quarter of nonprofit workers are at least somewhat dissatisfied with their salary or wages.

Nonprofit workers value wages 3.3x as much as their next most-valued work attribute, work/life balance.

A job’s salary or wages rose to the top when nonprofit workers were asked what attributes of a job were most important. Other important attributes included support of key financial health benefits like health insurance and retirement plans, and work arrangements that help workers meet their obligations both at and outside of work.

To build the financial health of nonprofit workers, it is important for nonprofit organizations to provide meaningful, mission-driven jobs while also supporting its workers’ financial needs. This paper highlights opportunities for employers, grantmakers, and policy leaders to improve job quality and worker financial health by ensuring nonprofit workers can access essential benefits as well as compensation to meet their short- and long-term financial needs.

Understanding the Financial Health of 12 Million Nonprofit Workers

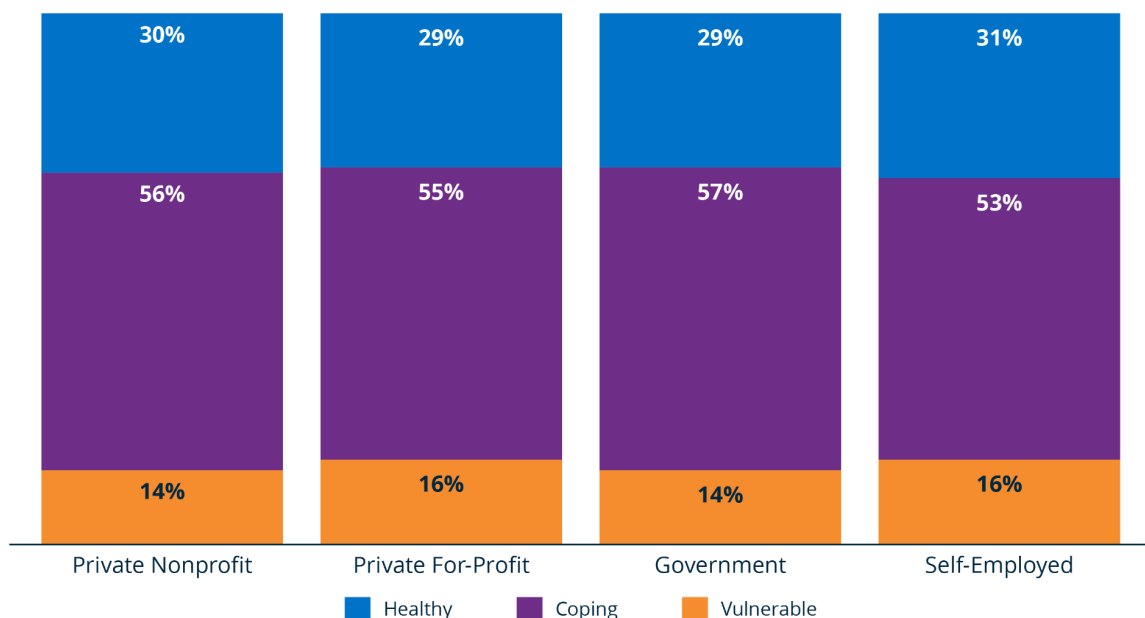
Comparing Nonprofit Worker Financial Health With Other Sectors

Financial health is a holistic concept that refers to people’s ability to spend, save, borrow, and plan in ways that allow them to weather shocks and pursue opportunities. To understand how workers are faring financially, we use the Financial Health Network’s FinHealth Score®, which asks how people are faring financially across these pillars and categorizes respondents in one of three ways: Financially Healthy, Financially Coping, or Financially Vulnerable. For more information on how we measure financial health, see Appendix A.

First, using our own Financial Health Pulse® data from 2024, we compared the financial health of nonprofit workers with workers in other sectors.¹⁹ As in other parts of the workforce, nonprofit workers face significant financial health challenges. Statistically, the proportion of workers in the nonprofit sector who are Financially Healthy, Coping, and Vulnerable is the same as other parts of the workforce. (See Figure 1). Yet when we introduced other variables to our analysis related to worker financial health, we saw that nonprofit workers are less often Financially Healthy compared to their peers working in the private for-profit sector as well as those who are self-employed.²⁰

Despite being employed and earning consistent income, 70% of nonprofit workers are not Financially Healthy, and about 1 in 7 are Financially Vulnerable, meaning they face significant struggles.

Figure 1. Nonprofit workers are Financially Healthy at similar rates as workers in other sectors.



Source: Author's analysis of 2024 Financial Health Pulse. N = 4,211.

At the highest level, the nonprofit workforce is a reflection of the overall U.S. workforce, subject to many of the same economic forces and financial health gaps. But data from the 2024 Financial Health Pulse also shows that nonprofit workers are distinct from other employment sectors. For example, the nonprofit workforce is disproportionately made up of women. A higher proportion of

¹⁹ Visit [Financial Health Pulse](#) for more information.

²⁰ When controlling for key characteristics, including educational attainment, part-time versus full-time status, and age, nonprofit workers are statistically less likely to be Financially Healthy than their for-profit and self-employed counterparts, with scores six and nine points lower, respectively. Although when controlling for these factors, Financial Vulnerability does not increase, meaning that even when controlling for these work and worker characteristics, Financial Vulnerability is as prevalent in the nonprofit workforce as other sectors.

workers in nonprofit organizations also have at least a bachelor's degree compared with other parts of the workforce (65% of nonprofit workers versus 44% of all others), and they more frequently hold student loans than their peers working for private for-profit firms or who are self-employed.²¹ This is consistent with other statistics, which similarly find nonprofit workers to be more heavily female (even if that is not reflected in leadership) and more highly educated.^{22,23}

These compositional differences have implications for the wider financial health of nonprofit workers. We found differences within the nonprofit workforce itself to be just as important – if not more important – than differences between nonprofit workers and workers in other sectors. As such, this paper grapples with the financial state of the nonprofit sector by investigating which of its workers are more frequently Financially Healthy, who has access to core workplace benefits, and whether nonprofit jobs are meeting the needs and priorities of its workforce.

Introducing the Nonprofit Worker Financial Health and Benefits Survey 2024-2025

This paper seeks to better understand the financial health of this large swath of the American workforce, with a focus on Financially Coping and Vulnerable nonprofit workers. In addition to workers' overall financial health, we are deeply interested in understanding the non-wage support that nonprofit workplaces provide. Indeed, job quality – total compensation plus working conditions – is critical for qualifying overall financial health.^{24,25} Thus, this study aims to examine the workplace benefits that nonprofit workers have access to and use.

Study Methodology in Brief

The findings in this report draw from a nationally representative survey conducted by the Financial Health Network in partnership with Ipsos' KnowledgePanel®. The 20-minute survey was designed to better understand nonprofit workers' financial health, workplace benefits, and workplace practices in the United States. We asked about respondents' work arrangements, financial health, workplace benefits, and which benefits and practices workers valued most.

The survey was fielded December 21, 2024 to January 16, 2025, and reached a total of 1,180 respondents, all of whom were employed in the nonprofit sector. The survey documented worker

²¹ Authors' analysis of 2024 Financial Health Pulse data. We estimate that in 2024, 39% of nonprofit workers held student loans compared to 35% of government workers (not a statistically significant difference), 26% of private sector for-profit workers (statistically significant difference at $p < 0.05$), and 18% of self-employed workers (statistically significant difference at $p < 0.05$).

²² Estimates from the Bureau of Labor Statistics also show that the nonprofit workforce employs higher proportions of women, and people with a bachelor's degree or more, compared to other sectors.

²³ Kyoko Uchida, "[What to Know About U.S. Nonprofit Sector Demographics](#)," Candid, May 2024.

²⁴ Matt Bahl & Riya Patil, "[Well-Being in the Workplace: Why Financial Health Is Foundational to Overall Well-Being](#)," Financial Health Network, May 2025.

²⁵ Mathieu Despard, "[Promoting Staff Financial Well-Being in Human Services Organizations: The Role of Pay, Benefits and Working Conditions](#)," Human Service Organizations: Management, Leadership, & Governance, Sept 2023;

and organizational characteristics, including race and ethnicity, gender, income, educational attainment, employment status, role, and household composition, as well as the nonprofit employer's size, issue area, funding sources, and geographic focus. We used this information both to weight our data to align with national benchmarks, ensuring our estimates represented the sector accurately, and to segment our analyses. For more information on our methodology and sample, see Appendix B.

Financial Health Within the Nonprofit Workforce

To better understand which nonprofit workers are more often Financially Vulnerable and less often Financially Healthy, we examined key characteristics of both nonprofit employers and workers using data from the Financial Health Network's Nonprofit Worker Financial Health and Benefits Survey 2024-2025.²⁶

Differences by Employer Industry

We see two distinct experiences within the nonprofit workforce depending on their industry. Specifically, we find differences in worker financial health between workers at nonprofit hospitals and private nonprofit colleges and universities versus nonprofits in all other sectors: 41% of university and hospital workers reported being Financially Healthy compared with 33% of other nonprofit workers (see Figure 2). Overall, our findings indicate that nonprofit workers outside hospital or university settings more often struggle with their financial health.

This is a critical finding, because the workers who make up these portions of the nonprofit sector also have distinct characteristics. Our research shows that workers at non-hospital and non-university nonprofits are more often people of color and have lower educational attainment levels when compared with workers at hospitals and universities. While 85% of university workers surveyed held a bachelor's degree or higher, only 53% of non-university and non-hospital nonprofit workers did. University and hospital nonprofit workers in our sample were more often white, with 73% and 71% identifying as white, respectively, compared with 62% in other nonprofit sectors.

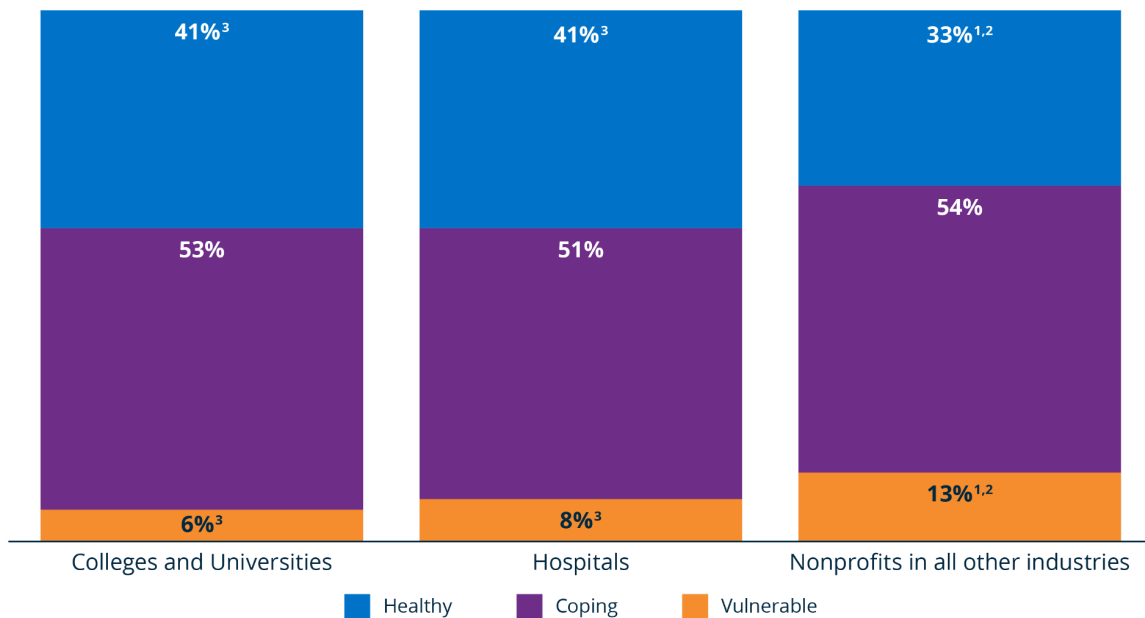
Indeed, when controlling for key differences between the workforce composition of these industries, the financial health disparities between their workers were not statistically significant.²⁷ This indicates that vulnerability in non-hospital and non-university nonprofit settings reflects the financial

²⁶ The sample of nonprofit workers in the Nonprofit Worker Financial Health and Benefits Survey 2024-2025 were more often Financially Healthy than the nonprofit workers from the 2024 Financial Health Pulse data set, reflecting sampling differences between the two. Specifically, we found 35% of all nonprofit respondents were Financially Healthy in our Nonprofit Worker Survey, compared with 30% of the sample from 2024's Financial Health Pulse. This is largely attributable to the Nonprofit Worker Financial Health and Benefits Survey 2024-2025 reaching a higher-income sample than our Financial Health Pulse. When reviewing cross-sectional data on the financial health of nonprofit workers in Financial Health Pulse data, we don't see changes in the distribution of financial health over time. For that reason, we do not believe that differences between these surveys indicate an improvement in the financial health of nonprofit workers, and instead reflect differences in the samples collected in these surveys.

²⁷ When controlling for worker's race or ethnicity and educational attainment, the differences in financial health status between workers in different industries is not statistically significant at $p < 0.5$.

health challenges facing marginalized communities at large – specifically communities of color and workers with lower educational attainment levels.

Figure 2. Worker financial health by nonprofit industry.



Notes: Nonprofit Worker Financial Health and Benefits Survey 2024-2025. N = 1,180.

¹ Statistically significant relative to workers in Colleges and Universities at $p < .05$.

² Statistically significant relative to workers in Hospitals at $p < .05$.

³ Statistically significant relative to workers in all other nonprofits at $p < .05$.

Differences by Organizational Budget

We also find variability in workforce financial health depending on organization size, highlighting a key distinction in the sector. Approximately 34% of all nonprofit workers surveyed were employed at organizations with annual budgets below \$1 million. These workers more frequently reported lower financial health than those at organizations with budgets above \$1 million. Only 27% of workers at organizations with budgets under \$1 million were considered Financially Healthy, compared with 45% of workers at organizations with budgets over \$25 million (see Figure 3). Yet these smaller-budget nonprofits make up a large share of the workforce (outside of hospitals and universities), and account for employing nearly half of all workers in that group. These organizations tend to have fewer financial resources and are where we saw the highest concentrations of Financially Vulnerable workers in our survey.

Comparatively, nonprofit hospitals and private nonprofit colleges and universities are more commonly associated with higher budgets. Among the workers we surveyed from these organizations, 60% were employed at organizations with budgets over \$25 million.

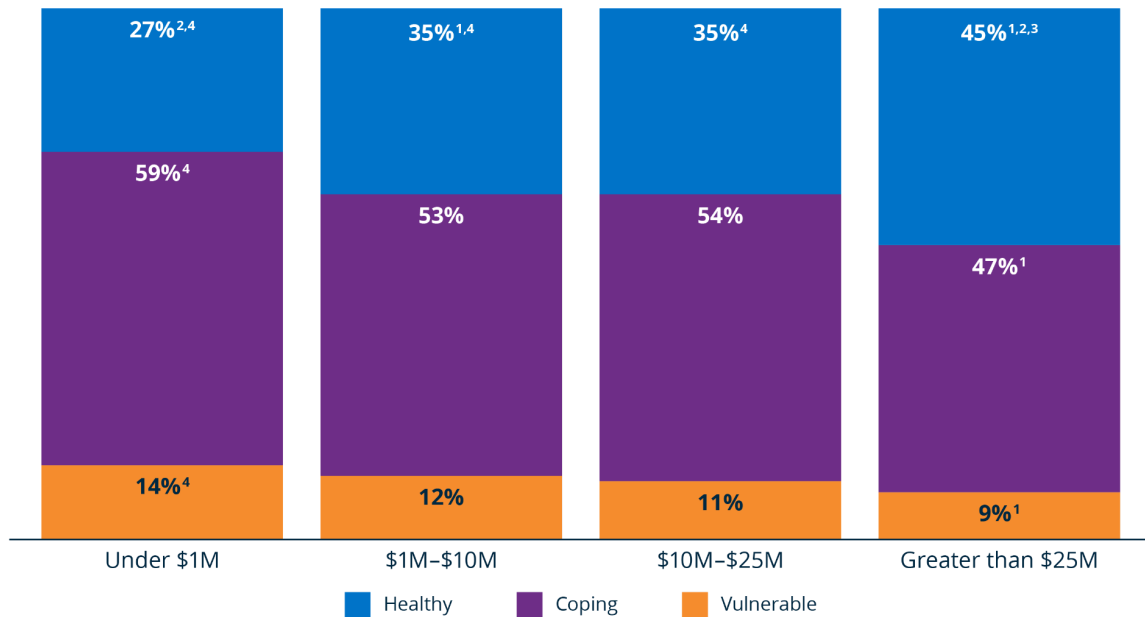
Workers at organizations with budgets under \$1 million reported challenges across multiple pillars of financial health. They are significantly less able to pay all their bills on time and less likely to have six months of savings available without relying on debt, compared with those at organizations with budgets over \$1 million.

This finding – that workers at the smallest-budget nonprofits face greater financial challenges – aligns with existing research showing that smaller-budget organizations often lack the resources and infrastructure to offer competitive wages and comprehensive benefits.²⁸ These organizations may operate with tighter funding constraints, limited administrative capacity, and greater reliance on grant-based or short-term funding streams, which can hinder their ability to invest in robust employee compensation packages. As a result, workers at these nonprofits are less likely to have access to core benefits such as retirement plans, paid leave, or health insurance – key supports that contribute to financial stability.

Because workers at nonprofits with the lowest budgets are more often Financially Vulnerable, it's important to understand who is staffing these organizations. First, when compared with higher-budget organizations, we found staff at nonprofits with annual budgets under \$1 million to be younger (38% are between the ages of 18 and 34). In comparison, workers aged 35 to 49 made up a greater share of the workforce at organizations with budgets over \$1 million. This difference in age levels provides helpful context for understanding financial health patterns among younger nonprofit workers, who are more likely to be employed at organizations with fewer resources and with limited capacity to offer competitive pay or benefits.

²⁸ Beth Brockland & Kennan Cepa, [“Boosting Financial Health Benefits in the Small Business Workplace,”](#) Financial Health Network, May 2023.

Figure 3. Worker financial health by nonprofit budget.



Notes: Nonprofit Worker Financial Health and Benefits Survey 2024-2025. N = 1,180.

¹ Statistically significant relative to workers in organizations with a budget under \$1M at $p < .05$.

² Statistically significant relative to workers in organizations with a budget \$1M-\$10M at $p < .05$.

³ Statistically significant relative to workers in organizations with a budget \$10M-\$25M at $p < .05$.

⁴ Statistically significant relative to workers in organizations with a budget greater than \$25M at $p < .05$.

Differences by Worker Demographics

In addition to differences by employer type and organizational budget, certain worker characteristics were also associated with lower financial health and higher financial vulnerability across the nonprofit sector.

First, we find that financial health varies by job level. Entry-level staff were far less frequently Financially Healthy (19%) than mid-level staff and executive-level staff (51%). Entry-level staff were also more likely to be Financially Vulnerable than executive-level staff, with 16% falling into this category compared to only 6% of executive-level or senior-management staff. We didn't see significant differences in financial health between mid-level staff without management responsibility (37%) and mid-level staff with management responsibilities (34%), further emphasizing differences based on job level itself.

In our sample, we found white workers were more Financially Healthy (41%) than their Hispanic and Black nonprofit colleagues (22% and 20%, respectively). Our findings show that Black and Hispanic workers are also more often Financially Coping or Financially Vulnerable compared with white workers. Among survey respondents, 16% of Hispanic workers and 21% of Black workers were categorized as Financially Vulnerable, compared to only 9% of white workers.

Men who work at nonprofits were also found to be more Financially Healthy and less Financially Vulnerable than women, even though women represent 61% of the nonprofit workforce versus men's 39%. Men also reported greater financial confidence: 59% of male nonprofit workers shared they are moderately to very confident in their financial situation and ability to meet long-term goals, compared with 43% of women respondents.

We also see differences in financial health between those who have caregiving responsibilities and those who do not. Caregivers are less frequently Financially Healthy (29%) and more frequently Financially Vulnerable (14%) than respondents who are not caregivers – 39% of whom fall into the Financially Healthy category, while just 10% of non-caregivers are Financially Vulnerable.

These differences in nonprofit sector employee financial health by job level, race, gender, and household composition mirror trends across the broader workforce.^{29,30} Taken as a whole, nuance is still key when understanding the financial health of today's nonprofit workers. Employer characteristics – specifically nonprofit industry type and annual budget – and employee characteristics both matter when trying to understand how employees fare financially.

Understanding which workers are more often Financially Vulnerable helps target our analysis of the levers that could drive better overall financial health. It is clear there are groups of workers who are less frequently doing well financially: workers at nonprofits with small annual budgets, workers in non-university or hospital settings, workers of color, and women. These workers face challenges across all indicators of financial health, including paying all bills on time, covering expenses, and feeling confident about meeting long-term financial goals.

Given this context of vulnerability in the nonprofit workforce, we now focus our analysis on how different workplaces may or may not be prepared to foster worker financial health, looking specifically at workplace benefits that impact employee well-being.

Identifying Gaps in Nonprofit Offerings and Worker Access

Employers have significant influence over employee financial health – not only through direct wages, but also via the benefits they choose to offer. Benefits such as health insurance, paid vacation/personal leave, retirement savings accounts, and paid sick leave are core components of an employee's financial ecosystem.³¹ These offerings can mitigate short-term financial strain and build

²⁹ Meghan Greene, Jess McKay, & Andrew Warren, "[The Gender Gap in Financial Health: Identifying Barriers and Opportunities for Improving Women's Financial Health](#)," The Financial Health Network, July 2022.

³⁰ Andrew Warren, Wanjira Chege, Kennan Cepa, Ph.D., & Necati Celik, Ph.D., "[Financial Health Pulse® 2024 U.S. Trends Report](#)," Financial Health Network, September 2024.

³¹ We describe vacation/personal leave, sick leave, retirement plans (401(k), 403(b), and/or pensions plans), and employer-sponsored health insurance as "core" benefits because these are the most common workplace benefits in the

long-term security, making them a vital area of focus for both practitioners and researchers. Indeed, research shows financial hardship lessens as the number of core benefits workers receive increases.

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Given this impact, we examine benefit access, usage, and preferences to understand how current offerings from nonprofit employers align with worker needs. We also explore how workers think about total compensation – including tradeoffs between wages, benefits, and workplace practices like flexibility and scheduling.

Nonprofit employees experience a wide range of outcomes when it comes to workplace benefits. Some lack access to core benefits like health insurance or paid leave, while others use certain benefits regularly when they are available. At the same time, workers may not always have access to the benefits they value most, revealing disconnects between offerings, usage, and preferences. Understanding how these factors vary across the sector offers insight into where gaps exist and where employers and other stakeholders can focus to better support the nonprofit workforce.

The Benefits Access Landscape

In our study, we found that 15% of the nonprofit workforce lacks access to all of four core benefits: paid vacation, health insurance, retirement plans, and paid sick leave. In fact, just over half (52%) of all nonprofit workers have access to all four of these core benefits through their employer (see Figure 4).

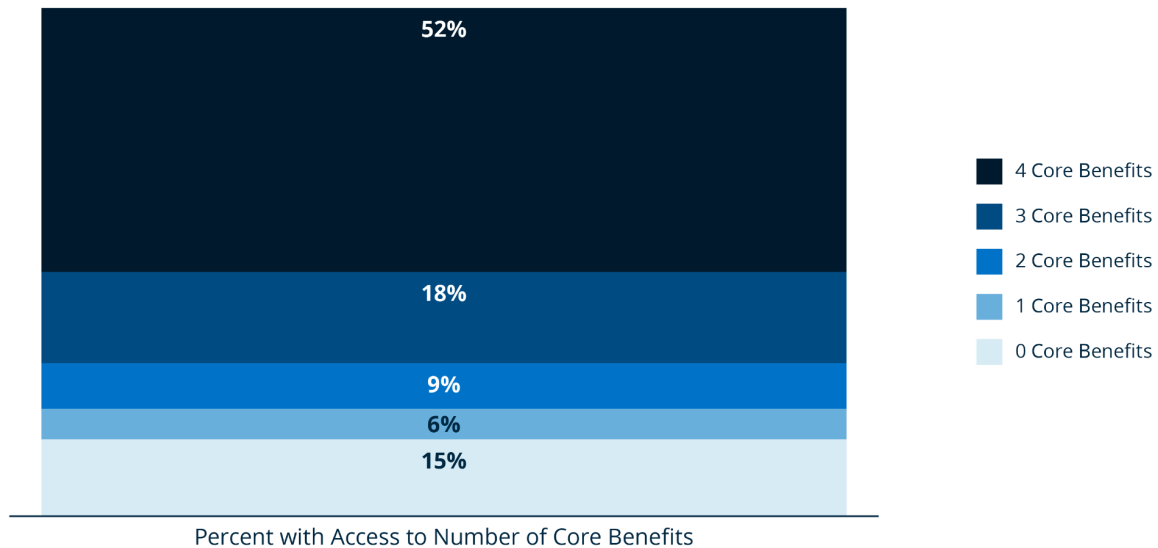
Many other offerings outside of these core benefits had some penetration in the nonprofit workforce. Depending on the specific product, 41%-50% of nonprofit workers reported having access to other insurance policies, such as disability and life insurance. Benefits that targeted particular life stages – like paid parental leave, childcare subsidies, tuition assistance, and student loan repayment– were relatively rarer, reaching 7-36% of nonprofit workers. And some benefits that we explored were extremely rare in the nonprofit workforce. For example, only 3% of workers reported having access to an emergency savings account, a benefit that has gained traction in the for-profit sector.³³

civilian private-sector workforce, based on authors' analysis of U.S. Bureau of Labor Statistics, National Compensation Survey (NCS) data from ["Employee Benefits in the United States,"](#) 2024. We also investigate other common benefits like other insurance products, subsidies and reimbursement benefits, and other savings vehicles.

³² Mathieu Despard et al., ["Financial Well-Being of Frontline Healthcare Workers: The Importance of Employer Benefits,"](#) Washington University Social Policy Institute, November 2022.

³³ Jake Spiegel et al. ["2024 EBRI Financial Wellbeing Employer Survey: Employers See Financial Wellness Benefits as a Tool to Improve Worker Satisfaction and Productivity,"](#) EBRI, October 2024.

Figure 4. Worker access to core workplace benefits.



Notes: Nonprofit Worker Financial Health and Benefits Survey 2024-2025. N = 1,180.
May not sum to 100% due to rounding.

Differences in Benefits Access by Financial Health

Benefits access is highly variable based on worker and workplace characteristics. We start by investigating whether Financially Healthy workers more frequently have access to, or take up, workplace benefits. Our survey shows significant differences in access to workplace benefits by worker financial health. Workers who were Financially Vulnerable generally reported less access to workplace benefits overall when compared with workers who were Financially Healthy. At times, they also had less access to workplace benefits than workers who are Financially Coping. Indeed, Financially Vulnerable workers reported more access to only two far less common benefits than their Healthy or Coping peers: earned wage access and childcare subsidies. For some benefits, there was no significant difference in access between the groups: vacation, sick leave, health insurance, pension plans, student loan repayment, and emergency savings accounts.

Table 3. Workplace benefits access by nonprofit worker financial health.

Benefit	Total	Financially Healthy	Financially Coping	Financially Vulnerable
Vacation/personal leave	75%	80%	75%	72%
Health insurance	74%	78%	74%	70%
Any retirement plan (401(k), 403(b), pension, or cash balance plan)	71%	80% ^{2,3}	68% ¹	66% ¹
Defined contribution retirement plans (e.g., 401(k), or 403(b))	69%	77% ^{2,3}	66% ¹	65% ¹
Paid sick leave	65%	67%	65%	62%
Health care flexible spending account or health savings account	53%	60% ^{2,3}	51% ^{1,3}	43% ^{1,2}
Disability insurance	50%	54% ³	50%	44% ¹
Supplemental life insurance	45%	50%	45%	41%
Group life insurance	41%	49% ^{2,3}	38% ¹	33% ¹
Tuition assistance	36%	40% ³	35%	29% ¹
Paid parental or caregiving leave	32%	37% ³	32% ³	19% ^{1,2}
Dependent care flexible spending account	27%	33% ^{2,3}	27% ^{1,3}	17% ^{1,2}
Pension or cash balance plan	16%	17%	16%	16%
Student loan repayment	9%	9%	9%	6%
Subsidies to pay for childcare	7%	6% ³	7% ³	12% ^{1,2}
Earned wage access	4%	3% ³	4% ³	9% ^{1,2}
Emergency savings account	3%	3%	4%	2%
All four core benefits (vacation/personal leave, paid sick leave, health insurance, any retirement plan)	52%	58% ^{2,3}	51% ¹	43% ¹
No (0) core benefits	15%	10% ²	16% ¹	15%

Working Arrangement	Total	Financially Healthy	Financially Coping	Financially Vulnerable
Ability to work remote (either full-time or hybrid)	40%	48% ^{2,3}	38% ^{1,3}	27% ^{1,2}
Flexible scheduling (ability to vary working hours as needed)	40%	49% ^{2,3}	37% ^{1,3}	28% ^{1,2}
Total observations	1,164	472	573	119

Notes: Nonprofit Worker Financial Health and Benefits Survey 2024-2025. N = 1,180.

¹ Statistically significant relative to Financially Healthy Workers at $p < .05$.

² Statistically significant relative to Financially Coping Workers at $p < .05$.

³ Statistically significant relative to Financially Vulnerable Workers at $p < .05$.

Differences in Benefit Access by Nonprofit Industry

Lack of access to core benefits is more pronounced at nonprofits outside of nonprofit hospitals and private nonprofit colleges and universities, with 32% of the workforce in these organizations lacking access to a health insurance plan, compared to 15% of workers at colleges and universities and 6% at hospitals. Retirement plans and other financial-wellness benefits supporting workers' financial health echoed this pattern. Workers at hospitals or colleges and universities reported greater access to employee-benefit offerings compared to those in other nonprofit industries.

Table 4. Core benefit access by size of nonprofit industry.

Benefit	Colleges and Universities	Hospitals	Nonprofits in all other industries
Vacation/personal leave	74% ²	95% ^{1,3}	71% ²
Health insurance	85% ^{2,3}	94% ^{1,3}	68% ^{1,2}
Any retirement plan (401(k), 403(b), pension, or cash balance plan)	83% ^{2,3}	95% ^{1,3}	64% ^{1,2}
Paid sick leave	74% ³	74% ³	61% ^{1,2}
All four core benefits	66% ³	70% ³	45% ^{1,2}
No (0) core benefits	9% ³	1% [*]	18% ¹
Working Arrangement	Colleges and Universities	Hospitals	Nonprofits in all other industries
Ability to work remote (either full-time or hybrid)	65% ^{2,3}	38% ¹	36% ¹
Flexible scheduling (ability to vary working hours as needed)	49% ³	43%	38% ¹
Total observations	168	227	778

Notes: Nonprofit Worker Financial Health and Benefits Survey 2024-2025. N = 1,180.

¹ Statistically significant relative to Colleges & Universities at $p < .05$.

² Statistically significant relative to Hospitals at $p < .05$.

³ Statistically significant relative to Nonprofits in All Other Industries at $p < .05$.

* Too few to estimate statistical significance

Differences in Benefit Access by Organization's Annual Budget

Nonprofit workers employed at smaller-budget organizations reported significantly lower access to nearly all benefits surveyed. A majority of workers at small nonprofits with annual budgets under \$1 million lacked access even to core benefits like paid leave, health insurance, and retirement plans. Indeed, we found that only a quarter of workers at organizations with a budget under \$1 million had access to all four core benefits, yet more than two-thirds of workers at nonprofits with an annual budget of at least \$10 million did. Similarly, the lack of access to benefits in workplaces with smaller budgets reflects findings about the lower financial health of employees at these organizations.³⁴

In our study, we found clear disparities in benefit access between the smallest and largest organizations (see Table 5). For example, only 46% of workers at organizations with budgets under

³⁴ Beth Brockland & Kennan Cepa, "[Boosting Financial Health Benefits in the Small Business Workplace](#)," Financial Health Network, May 2023.

\$1 million had access to employer-sponsored health insurance, compared with 92% of workers at organizations with budgets over \$25 million. Access to retirement plans increased from 39% at the smallest organizations to 92% at the largest. For vacation or personal leave, access rose from 53% to 87%, and for paid sick leave, from 46% to 77%.

Our findings align with existing research on the challenges of offering benefits to workers at small and mid-sized businesses.³⁵ These differences are statistically significant and have meaningful implications for the financial stability and well-being of nonprofit employees. Without targeted support or structural solutions, workers at smaller nonprofits may continue to experience gaps in benefits access that are more consistently available to their peers at larger organizations.

How to Increase Access to Worker Retirement Benefits

Among all nonprofit workers, 71% have access to retirement plans through their employer. Yet this proportion shrinks dramatically when reviewing the smallest-budget organizations, where only 39% of workers do. Why is accessing retirement benefits so difficult in the nonprofit sector?

While private for-profit sector firms are incentivized to offer retirement benefits to reduce their firm's tax liability through SECURE 2.0, nonprofit organizations have no such incentive given they have no tax liability based on revenue.³⁶ For small, resource-strapped nonprofits, there has been little room to afford employer matches for workers. Furthermore, small organizations that do offer retirement plans face higher per-account costs than larger organizations due to several factors: lower total assets under management, a lower total number of accounts to spread out fixed costs, and less overall bargaining power.³⁷

Finally, while nonprofits are able to offer either 401(k) plans or 403(b) plans, many nonprofits opt for 403(b) plans.³⁸ However, plan participants often face higher investment costs with 403(b) plans, compared with the average assessed fees for 401(k) plans, often because 403(b) plans are excluded from lower cost options like collective investment trusts (CITs). These fees can erode retirement assets by \$23,000-\$28,000 over a 40-year career.³⁹

Taken together, this necessitates new policies and practices that incentivize retirement benefit offerings by nonprofit employers, particularly smaller-budget organizations. One idea is to help

³⁵ Ibid.

³⁶ SECURE 2.0 legislation, enacted in December 2022, provided pathways to expand access to retirement savings plans through a number of provisions. Some of these provisions offered tax credits and incentives to small businesses to establish and maintain retirement benefits for its workers, including an expanded startup credit to cover the costs of establishing a new retirement program. See ["Retirement plans startup costs tax credit,"](#) Internal Revenue Service.

³⁷ John Scott & Kim Olson, ["Small Employers' Economics of Offering Retirement Savings Plans,"](#) Pew, July 2024.

³⁸ ["Participation Rates in 403\(b\) Plans Climb to an All-Time High,"](#) National Association of Plan Advisors, December 2023.

³⁹ Malena de la Fuente, Ph.D, Ariana Abousaeedi, & Andy Reed, Ph.D, ["How to Lower Costs for Teachers and Health Care Workers Saving for Retirement,"](#) Vanguard Policy Institute, June 2025.

nonprofit employers offset the cost of starting and maintaining workers' retirement plans.⁴⁰ Another is to lower costs by allowing 403(b) plans to access the same investments as their 401(k) counterparts.⁴¹ Other tactics could include creating a federal retirement plan option; expanding access to state-facilitated retirement plans; and enacting auto-IRA mandates.⁴² While still emergent, these strategies show promise in closing the retirement savings gap in several states that have enacted such mandates. Interestingly, while these mandates primarily aim to provide access through state-facilitated IRAs, there is also a notable uptick in private-sector 401(k) offerings within the same states, perhaps by motivating more net employers to offer such plans.⁴³

Table 5. Core benefit access by nonprofit budget size.

Benefit	< \$1M	\$1M-\$10M	\$10M-\$25M	> \$25M
Vacation/personal leave	53% ^{2,3,4}	87% ¹	89% ¹	87% ¹
Health insurance	46% ^{2,3,4}	85% ^{1,4}	89% ¹	92% ^{1,2}
Paid sick leave	46% ^{2,3,4}	71% ¹	76% ¹	77% ¹
Any retirement plan (401(k), 403(b), pension, or cash balance plan)	39% ^{2,3,4}	85% ^{1,4}	85% ^{1,4}	92% ^{1,2,3}
All four core benefits	25% ^{2,3,4}	58% ^{1,3,4}	68% ^{1,2}	71% ^{1,2}
No (0) core benefits	34% ^{2,3,4}	5% ¹	7% ^{1,4}	2% ^{1,3}
Total observations	335	236	194	390

Notes: Nonprofit Worker Financial Health and Benefits Survey 2024-2025. N = 1,180.

¹ Statistically significant relative to nonprofits with a budget under <\$1M at p < .05.

² Statistically significant relative to nonprofits with a budget of \$1M - \$10M at p < .05.

³ Statistically significant relative to nonprofits with a budget of \$10M - \$25M at p < .05.

⁴ Statistically significant relative to nonprofits with a budget of >\$25M at p < .05.

⁴⁰ Some proposals include offering tax credits against nonprofit payroll taxes to incentivize offering retirement plans. See the "[Retirement Fairness for Charities and Educational Institutions Act of 2025: S. 424](#)" and the "[Retirement Fairness for Charities and Educational Institutions Act of 2025: H.R. 1013](#)," 119th Congress, 2025, and "[Tax Credit Fairness for Nonprofit Employers](#)," Independent Sector, 2024. However, given the importance of payroll taxes in funding key programs for long-term financial security, we prefer grant programs to offset costs. See our recommendations section for more detail.

⁴¹ See "[Retirement Fairness for Charities and Educational Institutions Act of 2024](#)," S. 4917, 118th Congress, and Jason Levy, "[Congress Considers Adding CIT Access for 403\(b\) Plans](#)," Pension Research Council, December 2024.

⁴² "[State Programs 2025: Partnerships Continue to Expand and Several New Programs Will Launch](#)," Georgetown University McCourt School of Public Policy Center for Retirement Initiatives, May 2025.

⁴³ Matt Bahl, Riya Patil, "[Incomplete, Not Obsolete: A 401\(k\) Toolkit to Help Solve America's Retirement Crisis](#)," Financial Health Network, July 2025.

The Benefits Takeup Landscape

While access to benefits is an important part of fostering worker financial health, takeup is also critical for workers to reap the advantages of employer offerings. As discussed earlier in this report, there is variability in the types of benefits that nonprofits offer to workers. However, we see there is a very high takeup of workplace benefits that directly support financial health needs, and that this finding holds true across nonprofit industries. In particular, we see high takeup in core benefits, including paid time off, retirement plans, and health insurance.

However, there is still opportunity for greater adoption of other key worker benefits. We found that certain less-frequently used benefits often have more limited use cases. For example, the least-utilized benefits in our study are those meeting the needs of workers during infrequent or situational contexts – particularly tuition assistance (14%) and paid parental or caregiving leave (10%). Previous research identifies several other reasons why some benefits are infrequently used, including friction or hassle in the process, benefit choice overload, cost concerns, and limited financial literacy among workers, particularly when it comes to a lack of awareness and understanding of the benefits available to them.^{44,45,46,47}

Gaps Between Access and Use

Takeup rates are relatively high for core benefits when offered by the nonprofit employer. Among nonprofit workers with employer-provided access, we found 91% used vacation or personal leave, 86% participated in retirement plans, 80% enrolled in health insurance, and 77% used paid sick leave.

Workers also showed high adoption of specific, less frequently offered benefit types, presenting opportunities for stakeholders to address. Despite only 41% of nonprofit workers reporting access to group life insurance, 69% of those respondents reported taking up that benefit. This high rate of takeup warrants further exploration into the preferences and appeal of this offering.

The ability to work from home and have flexible scheduling also had large uptake among our surveyed nonprofit workforce. Despite only 40% having access to this workplace policy, 83% of respondents reported taking advantage of it, demonstrating substantial interest and utility in alternative working arrangements. Among workers without this option, 54% said they would use remote work if offered, and 61% would use flexible scheduling.

⁴⁴ James Choi, David Laibson, & Brigitte Madrian, “[Reducing the Complexity Costs of 401\(k\) Participation Through Quick Enrollment\(TM\)](#),” National Bureau of Economic Research, January 2006.

⁴⁵ Hannah Gdalmann et al., “[A Financial Health Approach to Employer-Sponsored Retirement Savings Plans](#),” Financial Health Network, September 2021.

⁴⁶ Sam Hughes, Emily Gee, Nicole Rapfogel, “[Health Insurance Costs Are Squeezing Workers and Employers](#),” American Center for Progress, November 2022.

⁴⁷ Lynn Quincy et al., “[Designing Subsidized Health Coverage Programs to Attract Enrollment: A Review of the Literature and a Synthesis of Stakeholder Views](#),” The Assistant Secretary for Planning and Evaluation, December 2008.

Our analysis is limited when looking at benefit takeup by worker and workplace characteristics. To illustrate: In most cases, our samples of Financially Vulnerable workers who had access to a benefit were too small to then analyze whether benefit takeup was significantly different from Healthy or Coping colleagues. There is evidence that a few core benefits, particularly vacation/personal leave and retirement plans, have lower takeup by Financially Vulnerable workers, which may indicate that there are reasons outside of access that mediate whether Vulnerable workers are able to take advantage of specific workplace offerings. Yet in looking at other benefits, we see no differences in takeup of paid sick leave, parental leave, or health insurance between Financially Healthy, Coping, and Vulnerable workers. This suggests extending access is still critical to support Vulnerable nonprofit employees, while noting there are instances where deeper efforts are needed to improve adoption. In many cases, nonprofit workers will leverage the benefit when available.

Table 6. Nonprofit workforce benefit access and utilization.

Benefit	Access	Takeup (conditional on access)
Vacation/personal leave	75%	91%
Any retirement plan (401(k), 403(b), pension, or cash balance plan)	71%	86%
Defined contribution retirement plans (e.g., 401(k) or 403(b))	69%	86%
Health insurance	74%	80%
Paid sick leave	65%	77%
Group life insurance	41%	69%
Pension or cash balance plan	16%	68%
Health care flexible spending account or health savings account	53%	56%
Supplemental life insurance	45%	51%
Disability insurance	50%	42%
Student loan repayment	9%	23%
Dependent care flexible spending account	27%	16%
Tuition assistance	36%	14%
Paid parental or caregiving leave	32%	10%
Subsidies to pay for childcare	7%	*
Earned wage access	4%	*
Emergency savings account	3%	*

Note: Nonprofit Worker Financial Health and Benefits Survey 2024-2025. Overall N = 1,180. Denominator varies for each benefit, based on the number of respondents reporting access.

* Indicates worker sample size with access was too small to report (N < 100).

Benefit Utilization by Organizational Budget

Despite a high utilization of certain core benefits among the overall nonprofit workforce, workers at smaller nonprofits with budgets below \$1 million still have lower rates of adoption. These differences reflect broader patterns in benefit access, where organizations with fewer resources might be less able to offer comprehensive benefits. For example, while 91% of workers overall report using vacation or personal leave when it is available, only 83% of workers at the smallest nonprofits report using this benefit. Similar patterns appear across other key offerings.

Just 67% of workers at nonprofits with budgets under \$1 million use employer-provided health insurance, compared to 87% at organizations with budgets over \$25 million. Adoption of retirement plans also increases with budget size, ranging from 73% at the smallest-budget organizations to 93% at those with mid-size budgets (between \$10-\$25 million). These disparities could suggest that even when benefits are available, smaller organizations may face barriers to promoting or supporting uptake among their staff. It could also be that the quality of benefits offered at smaller-budget organizations is lower than those offered at larger ones. For example, workers at smaller organizations tend to pay more on average for their health insurance premiums than workers at larger organizations.⁴⁸

Table 7. Core benefit use by organizational annual nonprofit budget (conditional on access).

Benefit	< \$1M	\$1M-\$10M	\$10M-\$25M	> \$25M
Vacation/personal leave	83% ^{2,3,4}	94% ¹	92% ¹	93% ¹
Health insurance	67% ^{2,3,4}	77% ^{1,4}	84% ¹	87% ^{1,2}
Paid sick leave	70% ^{2,4}	81% ¹	74%	81% ¹
Any retirement plan (401(k), 403(b), pension, or cash balance plan)	73% ^{2,3,4}	84% ^{1,3,4}	94% ^{1,2}	91% ^{1,2}

Notes: Nonprofit Worker Financial Health and Benefits Survey 2024-2025. Overall N = 1,180. Denominator varies for each benefit, based on the number of respondents reporting access.

¹ Statistically significant relative to nonprofits with a budget under <\$1M at p < .05.

² Statistically significant relative to nonprofits with a budget of \$1M -\$10M at p < .05.

³ Statistically significant relative to nonprofits with a budget of \$10M -\$25M at p < .05.

⁴ Statistically significant relative to nonprofits with a budget of >\$25M at p < .05.

⁴⁸ Kristen Kolb, David C. Radley, & Sara R. Collins, "[Trends in Employer Health Insurance Costs, 2014-2023: Coverage Is More Expensive for Workers in Small Businesses](#)," The Commonwealth Fund, December 2024.

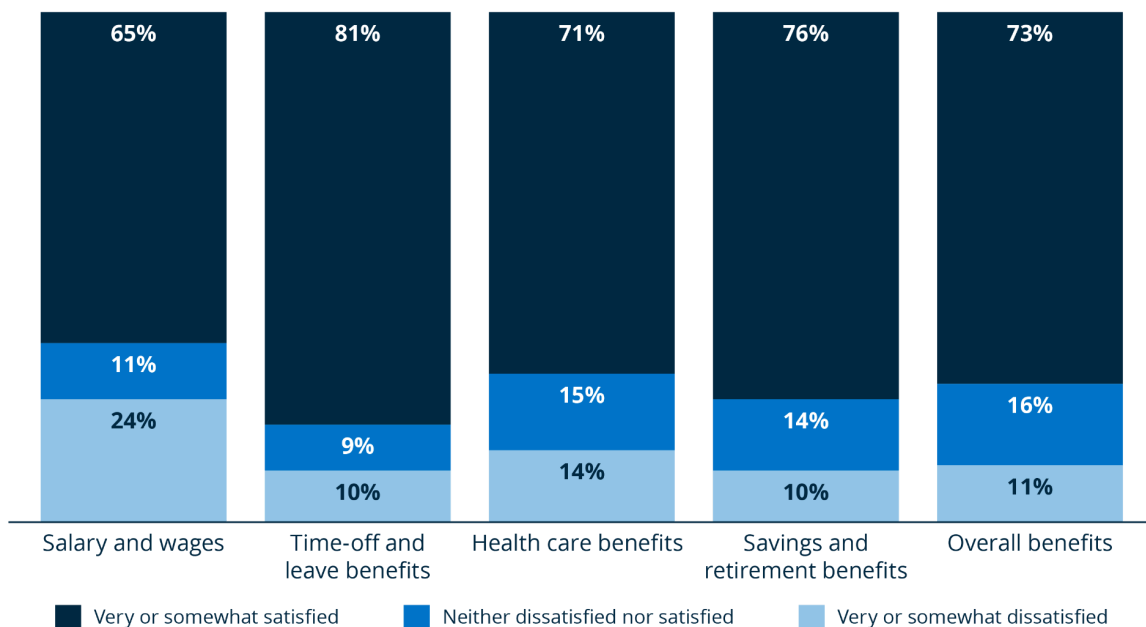
Understanding Worker Satisfaction and Priorities

In addition to access and takeup, it is also crucial to explore whether today's nonprofit workers are satisfied with the current total compensation offerings made available to them. So, too, is it critical to understand what nonprofit workers value – and what is most important to them when it comes to all aspects of their job.

Worker Satisfaction with Total Compensation

While the majority of nonprofit workers are at least somewhat satisfied with the components of their compensation, we identify opportunities to better meet the expectations of workers. For example, nearly a quarter of nonprofit workers are somewhat or very dissatisfied with their salary or wages. There are also differences in satisfaction with total compensation by worker and workplace characteristics that, if improved, stand to strengthen the overall employer value proposition.

Figure 5. Overall satisfaction with benefits among nonprofit workers.



Notes: Nonprofit Worker Financial Health and Benefits Survey 2024-2025. Overall N = 1,180.

Financially Healthy workers more frequently were very or somewhat satisfied across all aspects of their compensation compared to Financially Vulnerable workers. For example, 76% of Financially Healthy workers were at least somewhat satisfied with their salary and wages compared to 63% of Financially Coping workers and just 47% of Financially Vulnerable workers. Indeed, more than 1 in 3 (38%) of Financially Vulnerable workers were at least somewhat dissatisfied with their salary or wages. There were similar disparities in benefit satisfaction by financial health: 83% of Financially Healthy workers were very or somewhat satisfied with their benefits overall, compared to 69% of Financially Coping and 63% of Financially Vulnerable nonprofit workers.

White nonprofit workers reported greater satisfaction than Black and Hispanic workers in terms of salary and wages. White nonprofit workers also expressed greater satisfaction with their time-off and leave benefits than Black and Hispanic workers. Disparities in satisfaction with healthcare benefits were also evident, with Black nonprofit workers reporting higher levels of dissatisfaction than both their white and Hispanic peers. This points to the need for organizations to prioritize wages and salary especially in response to the needs and wants of their workers of color.

Satisfaction with time off and leave benefits also varied. Workers at organizations with annual budgets of less than \$1 millions were significantly less likely to report being somewhat satisfied with their wages and time off or leave benefits compared to those at organizations with annual budgets over \$25 million. Similarly, workers at organizations with budgets under \$1 million reported lower satisfaction with healthcare, savings, and retirement benefits than those at higher-budget organizations.

Identifying “Important” Workplace Benefits and Job Attributes

Organizations of all sizes face resource constraints requiring them to make tradeoffs as they invest in their workforce. To help employers balance these tradeoffs, the Nonprofit Worker Financial Health and Benefits Survey 2024-2025 explored which workplace benefits and practices are most important to nonprofit workers themselves. Specifically, we asked what workplace attributes were the most important when presented with tradeoffs, including preferences around pay and benefits, organizational characteristics, and workplace policies/practices.

To understand respondents’ prioritization of workplace attributes, we used a MaxDiff exercise, a survey technique that asks respondents to make tradeoffs by identifying the most and least important items from a rotating list. This approach allowed us to quantify the relative importance of different benefits and workplace practices, providing a clearer picture of what nonprofit workers value most (see Table 8). The relative importance represents the probability that a respondent would select that attribute as the most important offering when compared to any other attribute in the total attribute list.

Across the nonprofit workforce participants surveyed in our study, we find wages to be the most important benefit and/or workplace practice among workers, estimating a 37% likelihood that a nonprofit worker would select wages as the most-valued criteria in a job when compared to any of the other attributes tested. This is a substantial finding. Nonprofit workers value wages 3.3 times as much as their next most-valued work attribute: work/life balance.

Table 8. The most important work and job attributes, according to nonprofit workers.

Attributes	Relative importance
My wages or salary	36.8
A job that supports my work/life balance	11.1
Affordable and high-quality health insurance	8.5
The organization's culture and work environment	6.3
Employer contributions to an employer-sponsored retirement plan	6.1
Flexible scheduling where I can vary my working hours	4.7
An ability to work remotely (either full-time, or when I need to)	4.6
The organization's mission and values	3.8
Generous paid sick leave and/or vacation	3.7
Relationships with colleagues	3.4
The organization's leadership	2.5
Career growth opportunities	2.3
Access to different leave programs if I need them, like disability leave, family medical leave, parental leave, or caregiving leave	2.0
Working for an employer that qualifies me for student loan forgiveness under the Public Service Loan Forgiveness program (PSLF)	1.3
The organization's diversity, equity, and inclusion efforts	1.2
Employer contributions towards emergency savings	0.8
Access to life insurance	0.4
Employer contributions to my student loan repayment	0.3
Tuition assistance	0.2
Childcare subsidies or sponsorship	0.1

Notes: Nonprofit Worker Financial Health and Benefits Survey 2024-2025. N = 1,180.

Respondents were presented a series of ten screens, each with a different set of four attributes. On each screen, the respondent was asked, “Of the following, which are the most important and least important things that you value in a job?” Of the presented set, respondents selected one attribute that was the most important, and one attribute that was the least important. They were then asked, considering the items on the screen, “How important are these things to you in a job?” and could select whether, “All of these, some of these, or none of these are important.” With those inputs, we are able to calculate the relative importance of each attribute, which indicates the probability that a respondent would select that attribute as the most important when faced with a tradeoff between that attribute and another on the list.

The next most-important attributes included support for key financial health benefits (health insurance, retirement plans) and work arrangements that can help employees better meet their obligations both at and outside of work (work/life balance, flexible scheduling, ability to work remotely). Less-valued benefits have more limited use cases, such as student loan repayments, tuition assistance, and childcare subsidies.

These findings are particularly interesting given what is reported in takeup. Specifically, we found takeup of the highest-rated attributes (health insurance, work-from-home ability) to be relatively strong, suggesting alignment between employee preferences and benefit availability in these areas. However, there were also benefits with relatively high takeup that workers rated as lower in importance, such as life insurance.

The ordering and categorical importance of attributes was largely consistent across different groups of nonprofit workers. Indeed, for nearly every group of workers we explored – including when looking by financial health status, gender, race or ethnicity, salary, full or part-time status, nonprofit industry, and nonprofit budget– the most important attribute by an order of magnitude was a job’s salary or wages, and the second was a job that supports work/life balance. The only group to prioritize an attribute other than work/life balance as the second most important attribute were Black and African American nonprofit workers. Instead, after pay, they valued health insurance (with a 9% likelihood of selection), followed by employer contributions to a retirement plan and work/life balance (each with a 7% likelihood of selection).

While, by and large, we see consistency in the ordering of attributes, we do see additional differences in the relative weight some placed on them. Indeed, some workers – while still valuing their wages or salary by far the most – were willing to trade off other important attributes less often than their peers. For example, workers at organizations with budgets of less than \$1 million valued pay 2.9 times as much as work/life balance (compared to their peers at organizations with larger budgets who valued pay 3.4-3.9 times as much as work/life balance). Instead, these workers placed relatively greater value on flexible scheduling, relationships with colleagues, and career growth opportunities. A similar pattern arises looking at part time workers – perhaps understandable insofar that they constitute a larger proportion of the workforce at small-budget nonprofits than at larger-budget organizations. Flexible scheduling was also of higher relative importance to workers earning less than \$30,000 annually, to younger workers ages 18-34, and workers in non-university or non-hospital settings.

When looking at the work attributes valued most by financial health status, there are few substantive differences. One exception is that an ability to work remotely was relatively more important for Financially Healthy respondents compared to Financially Coping and Vulnerable respondents. Career growth opportunities were more important for Financially Vulnerable than Financially Healthy respondents.

Conclusion

Investing Where It's Needed Most: Recommendations for Wages, Key Benefits, and Ongoing Uptake

This report highlights meaningful disparities in financial health and workplace benefits across the nonprofit sector, with workers at smaller-budget organizations and those employed outside of hospitals and higher-education institutions facing the most significant financial health challenges. These nonprofits comprise a large share of the nonprofit workforce and more often employ workers who are not Financially Healthy. Addressing the needs of these workers is essential, not only for advancing equity within the sector, but also to strengthen the stability and capacity of nonprofit organizations overall.

The benefits gap remains a central issue. Workers at smaller nonprofits report substantially lower access to core supports such as health insurance, paid leave, and retirement plans. Even when benefits are offered, uptake is also sometimes lower, suggesting additional barriers related to design, communication, or implementation. Additionally, there are workers who are dissatisfied with their total compensation – and workers who are Financially Vulnerable, Black and Hispanic workers, and workers at resource-strapped organizations more often are dissatisfied. These findings point to the need to expand access and better design benefits that meet the actual needs of workers.

This report presents a call to action for nonprofit employers, grantmakers, and policymakers alike to invest in durable solutions that meaningfully support the nonprofit workforce.

Recommendations for Employers

- **Prioritize workers' financial health by increasing wages where possible.** To strengthen the nonprofit sector, employers must support financial well-being in ways most relevant and impactful to its own workforce. Our survey indicates this begins with competitive wages.
- **Facilitate better access to and use of core benefits, and provide more flexible work arrangements.** Upcoming research from the Financial Health Network highlights the value of employer investments in benefits and compensation, and the positive effects these investments have on employees' financial health. Leading employers such as [Costco](#), [Lowe's](#) and [PayPal](#) have launched workplace financial health initiatives, including providing a livable wage, expanding retirement plan access to nontraditional employees, and offering ownership programs, respectively.

Recommendations for Grantmaking Organizations

- **Recognize that investing in organizational capacity and in total compensation is key to building a thriving nonprofit sector.** The National Council of Nonprofits shows that the workforce is on increasingly shaky ground, as many parts of the sector face labor shortages. If the sector is to provide robust services, it must be consistently staffed.⁴⁹
- **Prioritize capacity and total compensation funding at organizations with fewer resources.**⁵⁰ Grantmakers are critical to shoring up these organizations, ensuring they can invest in their staff and offer compelling, competitive employment value propositions.

Recommendations for Policymakers

- **Work to solve existing barriers to benefit provision.** Policymakers can facilitate access to core benefits by creating state-facilitated retirement programs, building or expanding leave benefits, and expanding access to insurance programs, including disability and life insurance. Policymakers could also make creating and joining multiple employer-pooled plans easier, enabling organizations to band together to seek group insurance policies. Policymakers could also make lower-cost retirement investment options available within 403(b) plans, the plan choice of many nonprofit employers.⁵¹

⁴⁹ ["Nonprofit Workforce Survey Results: Communities Suffer as the Nonprofit Workforce Shortage Crisis Continues,"](#) National Council of Nonprofits, 2023.

⁵⁰ Dan Pallotta, ["Uncharitable: How Restraints on Nonprofits Undermine Their Potential,"](#) Brandeis University Press, October 2022.

⁵¹ See "Retirement Fairness for Charities and Educational Institutions Act of 2025" [S. 424 / H.R. 1013](#), 119th Congress, 202

- **Consider additional incentives, like grant programs.** Policymakers incentivize benefit provisions in the private for-profit sector through corporate tax credits, a mechanism unavailable to nonprofits exempt from corporate income taxes. Some proposals outline offsetting nonprofit employers' payroll taxes to incentivize workplace benefit provision.⁵² However, payroll taxes are crucial for funding Social Security and Medicare, programs vital for workers' long-term financial security. As an alternative, we recommend policymakers offer grants to offset nonprofits' start-up and maintenance costs for employer benefits like retirement plans, which is a particularly costly endeavor.

This report demonstrates how quality jobs in the nonprofit sector are just as important as their for-profit counterparts. Nonprofits – with their charitable, religious, educational, scientific, and other purposes serving the public good – can only deliver on those missions with a strong workforce behind them. The vitality of those employees, and the ability to deliver on the promises of the social sector, depends on leaders, funders, and stakeholders who prioritize the financial health of its workforce.

⁵² See the [Small Nonprofit Retirement Security Act of 2024](#), S. 4965, 118th Congress (2024); and ["Tax Credit Fairness for Nonprofit Employers,"](#) Independent Sector, 2024.

Appendix

Appendix A: Measuring Financial Health

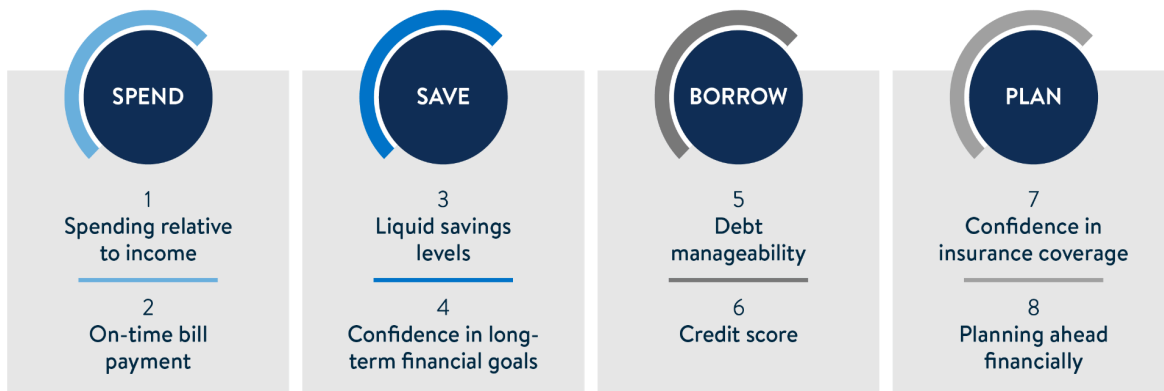
Defining Financial Health

Financial health is a holistic framework for understanding a person's financial life. Financial health comes about when individuals are financially resilient in the face of setbacks and have the resources to pursue opportunities and thrive.

Measuring Financial Health With the FinHealth Score®

The Financial Health Network developed its FinHealth Score®, a composite measure of eight indicators representing the four pillars of financial health: Spend, Save, Borrow, and Plan. It is designed to provide insight into specific aspects of financial lives (Figure 1).

Figure A1. The 8 indicators of financial health.



The indicators are constructed based on responses to eight financial health survey questions. A numerical value is assigned to each of the possible responses of the eight financial health survey questions. For individuals who responded to all eight questions, we can calculate their FinHealth Score, which ranges from 0 to 100, by averaging their responses to the eight financial health survey questions.⁵³ Those with scores between 0 and 39 are considered “Financially Vulnerable,” consumers with scores ranging between 40 and 79 are defined as “Financially Coping,” and those with scores of 80 to 100 are “Financially Healthy” (Figure A2).

Figure A2. Defining financial health tiers using the FinHealth Score®.



⁵³ Please see the [FinHealth Score methodology webpage](#) for more information on how the Score was designed.

Appendix B: Study Methodology

Data for this study were collected through a 20-minute online survey administered via Ipsos' KnowledgePanel®, an online panel that recruits participants through probability-based sampling methods in order to provide nationally representative estimates of employed adults (age 18 and older). A total of 1,180 adults participated in the full survey. All respondents were currently employed by a non-profit organization; 11.5% of invited households qualified for the survey, roughly aligned with national estimates that 9% of workers are employed by a nonprofit organization.

To ensure meaningful segmentation, the survey captured detailed worker and organizational characteristics, including race and ethnicity, gender, income, educational attainment, employment status, role, and household composition, as well as the employer's organization size, issue area, funding sources, and geographic focus. Fielding was monitored to maintain balance across key segments. Sample composition is provided in Table 3.

After data collection, we weighted our data to align with the distributions for adult employed Americans, based on benchmarks from the 2024 March Supplement to the Current Population Survey (CPS), and 2023 American Community Survey (ACS). The demographic variables used in post-stratification weighting included age, race/ethnicity, educational attainment, Census region, and language dominance. The survey margin of error is $\pm 3.42\%$ (95% confidence level).

Table B1. Select characteristics of survey respondents.

Worker or organization characteristics	Percent of sample (weighted)
Organization industry	
Education	28%
Universities & colleges	13%
Healthcare services	24%
Hospitals	18%
Nonprofits across all other industries (including social assistance, food, housing, arts, recreation, religion, grantmaking, and advocacy)	47%
Organization annual revenue	
< \$1M	34%
\$1M - \$10M	19%
\$10M - \$25M	16%

> \$25M	31%
Organization size (number of employees)	
< 100	31%
100 - 499	23%
> 500	46%
Worker-employer relationship	
Employee (W2)	94%
Contractors (1099)	3%
Other, or don't know	2%
Worker job level	
Entry level	12%
Experienced staff, without management responsibilities	50%
First or middle-level management	24%
Executive or senior management	10%
I don't know	4%
Worker race/ethnicity	
White, Non-Hispanic	65%
Black or African American, Non-Hispanic	13%
Hispanic or Latino, any race	15%
Other race or ethnicity (Asian, Multiracial, Other) ^a	8%
Total respondents	1,180

Note: a) sample size is too small to disaggregate the racial or ethnic identity with additional granularity.

Appendix C: Additional Data Tables

Table C1. Financial health by worker characteristics.

	Financial health tier		
Worker characteristics	Healthy	Coping	Vulnerable
Worker job level			
Entry level	19%	65%	16%
Experienced staff, without management responsibilities	37%	51%	11%
First or middle-level management	34%	55%	11%
Executive or senior management	53%	41%	6%
Worker race/ethnicity			
White, Non-Hispanic	41%	50%	9%
Black or African American, Non-Hispanic	20%	59%	21%
Hispanic or Latino, any race	22%	62%	16%
Gender			
Male	42%	50%	8%
Female	31%	55%	14%
Caregiving responsibilities			
Yes	29%	57%	14%
No	39%	51%	10%
Total respondents	410	626	143

Table C2. Benefit utilization by nonprofit budget.

Benefit	< \$1M	\$1M - \$10M	\$10M - \$25M	> \$25M
Paid sick leave	70%	81%	74%	81%
Vacation/personal leave	83%	94%	92%	93%

Defined contribution retirement plans (e.g., 401(k), or 403(b))	73%	84%	93%	90%
Flexible scheduling (ability to vary working hours as needed)	85%	85%	75%	83%
Ability to work remote (either full-time or hybrid)	81%	91%	81%	81%
Subsidies to pay for childcare	5%	31%	12%	10%
Health insurance	67%	77%	84%	87%
Health care flexible spending account or health savings account	51%	57%	55%	56%
An emergency savings account	22%	41%	19%	7%
Disability insurance	32%	35%	44%	46%
Paid parental or caregiving leave	7%	20%	9%	7%
Tuition assistance	27%	15%	14%	12%
Student loan repayment	29%	35%	26%	16%
Supplemental life insurance	39%	48%	55%	53%
Group life insurance	64%	70%	74%	68%
Pension or cash balance plan	56%	63%	77%	72%
Dependent care flexible spending account	23%	20%	19%	11%
Earned wages in advance of payday	65%	24%	26%	25%
Total observations	335	236	194	390

Table C3. Core benefit access by size of nonprofit budget.

Benefit	< \$1M	\$1M-\$10M	\$10M-\$25M	> \$25M
Paid sick leave	46%	71%	76%	77%
Vacation/personal leave	53%	87%	89%	87%
Defined contribution retirement plans (e.g., 401(k) or 403(b))	38%	81%	83%	89%
Flexible scheduling (ability to vary working hours as needed)	35%	41%	41%	46%
Ability to work remote (either full-time or hybrid)	24%	43%	47%	52%
Subsidies to pay for childcare	5%	4%	8%	10%
Health insurance	46%	85%	89%	92%
Health care flexible spending account or health savings account	21%	57%	69%	78%
An emergency savings account	2%	3%	3%	4%
Disability insurance	24%	51%	59%	75%
Paid parental or caregiving leave	13%	33%	36%	51%
Tuition assistance	10%	30%	51%	60%
Student loan repayment	4%	6%	13%	14%
Supplemental life insurance	18%	43%	61%	70%
Group life insurance	16%	43%	52%	61%
Pension or cash balance plan	8%	16%	17%	25%
Dependent care flexible spending account	9%	27%	35%	44%

Earned wages in advance of payday	3%	4%	4%	6%
Total observations	335	236	194	390

Table C4. Overall benefit satisfaction by worker and organizational characteristics.

	Satisfaction level		
Worker or organizational characteristics	Satisfied	Neutral	Dissatisfied
Organization annual revenue			
< \$1M	62%	23%	15%
\$1M - \$10M	75%	17%	7%
\$10M - \$25M	78%	13%	9%
> \$25M	81%	10%	10%
Organization size (number of employees)			
< 99	67%	19%	13%
100- 499	75%	16%	9%
>500	77%	13%	10%
Worker race/ethnicity			
White, Non-Hispanic	77%	14%	9%
Black or African American, Non-Hispanic	68%	21%	11%
Hispanic or Latino, any race	68%	18%	14%
Organization industry			
Universities and colleges	83%	11%	6%
Hospitals	78%	13%	9%
Nonprofits across all other industries (including social assistance, food, housing, arts, recreation, religion, grantmaking, and advocacy)	70%	18%	12%