

STATE OF THE SECTOR REPORT

2026



**HUMAN SERVICE
CHAMBER**

OF FRANKLIN COUNTY

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Founded in 2010, nonprofit leaders conceived the Human Service Chamber of Franklin County to help the health and human services sector come together, with one voice, to improve services for residents and the Columbus Region as a whole. Our mission is to unleash the power of human potential through every act of human service.

A LETTER FROM OUR BOARD CHAIR

Times of significant challenge reveal who we really are. The overwhelming challenges facing Franklin County's health and human service agencies are revealing them to be resilient, determined and innovative. The Human Service Chamber of Franklin County proudly represents approximately 250 member agencies. In response to sharply declining resources and rising community needs, our members took decisive steps - both individually and collectively - to ensure Central Ohio residents would continue receiving the help they needed. Over the past year, Chamber members reported 4.6 million service encounters helping residents navigate increasing economic insecurity and significant changes to the social safety net.

Beginning in January 2025, changes at the federal level dramatically altered the longstanding partnership between the public sector and health and human service nonprofits. Federal funding that had previously supported local nonprofits' capacity to provide a wide range of stabilizing supports for local residents was suddenly cut off or sharply reduced. At the same time, cuts to safety net programs like SNAP and Medicaid and changes in the economy drove increased community need. While weathering funding cuts and increased uncertainty, health and human service agencies have adapted to these continuing challenges and remained laser-focused on the communities they serve.

Although several health and human service agencies in Franklin County have closed their doors, most continue to operate, though at reduced capacity. That isn't good enough for Central Ohio, especially given the significant growth the region projects for the coming decade. Human Service Chamber members ensure families can access their basic needs for housing, food, transportation, and health care; children are positioned for educational success; parents have childcare and eldercare so they can go to work; individuals can access training and employment opportunities; and older adults can age in place. A healthy Central Ohio requires strong health and human services. Our region's public, private and philanthropic sectors must work alongside the health and human service nonprofit sector for our region and its people to achieve their full potential.

Kathleen McGarvey

Board Chair, Human Service Chamber of Franklin County
Executive Director, Legal Aid of Southeast and Central Ohio

SURVEY RESULTS AND ANALYSIS

The Human Service Chamber of Franklin County surveyed its members in the summer of 2026 to determine the state of our sector, and 104 organizations responded. Nearly two-thirds of respondents rated the state of the sector as “fair” or “bad,” and almost no one selected “great” or “excellent.” Federal cuts, increased need, and rising inflation are taking a clear toll on organizations and the people they serve. “In my 23 years as a nonprofit leader, this is the most challenging environment I have experienced, and I do not feel like I have any remaining levers to pull,” one leader shared. “While I am doing my best to remain optimistic, I have to be honest that my sense of hope is beginning to erode.”

81%

**report increased demand
for their services**

61%

**are unable to
meet these needs**

85%

**have been forced to limit
clients’ access to services**

Needs are increasing at a time when nonprofits have fewer resources to meet them. 81% of responding members said that demand for their services is going up, while 61% said they are unable to meet these needs. In addition, 85% of respondents have been forced to implement actions like creating waitlists, reducing services, limiting the duration or extent of services, initiating longer wait times or even turning people away completely even if they are eligible.

This strain is showing up in nonprofits’ finances and operations. Approximately 40% of respondents reported having three months or less of cash on hand. In the past year, 77% of members reported taking a wide range of steps to cut costs and leverage available resources, while continuing to drive impact, including reducing staff, selling assets, or changing how programs and services are delivered. Meanwhile, six member agencies will have closed altogether by the end of this year, and more are at risk. In some instances, agencies have been able to transfer programs to partners able to maintain service delivery. Many services have ceased completely, however.

An agency leader stated:

“What concerns me most is not any single policy change or funding cut in isolation. It is the cumulative erosion of the enabling conditions that allow small, community-rooted nonprofits to function effectively: stable operating revenue, accessible capital, equitable grant processes, and a policy environment that treats community-based organizations as essential public infrastructure rather than discretionary charitable activity.”

Members of the Human Service Chamber are responding to these challenges creatively and collaboratively. These examples are a fraction of what is happening across the sector:

- Big Brothers Big Sisters of Central Ohio and the Godman Guild Association are co-locating to increase accessibility and reduce costs.
- Boundless is expanding its impact by affiliating with Pennsylvania-based Merakey, USA.
- Directions for Youth and Families is leasing space to Greenleaf Job Training Services.
- Mid-Ohio Food Collective, Jewish Family Services, and CelebrateOne will join with OSU College of Nursing and others to deliver complementary services to residents in a high-need area at the soon-to-open Eastland Prosperity Center.
- Lutheran Social Services divested one of its business lines so it could focus more fully on its core mission.



Innovative as they are, our member agencies cannot serve more people with fewer resources indefinitely. They already have implemented efficiencies, eliminated redundancies, and prioritized mission-critical functions. “We anticipated the shift in overall funding and made proactive, strategic decisions to ensure the continuation of programming and services,” a nonprofit leader told us. “The organization remains stable and operational in FY26.”

Conditions have been extremely challenging for mid-to-large agencies with budgets between \$5 million and \$25 million, with significant funding through federal grants and reimbursements. Those organizations bore the brunt of the loss in federal funding that Franklin County health and human service agencies experienced over the past year. Not surprisingly, those hardest hit are the ones struggling to meet demand.

Particular policy changes have dramatically impacted health and human service agencies, including overt federal opposition to diversity, equity and inclusion (DEI) programs and services for immigrants and refugees. Since early 2025, the federal government has terminated or sharply reduced most funding streams that support immigrant and refugee services, leaving local nonprofits with fewer resources to serve this part of our community. One leader of an immigrant-serving member organization wrote, “Federal funding cuts are hitting hard, [affecting] what services we are able to offer, including employment placement, ESL and many health and wellness programs.” Beyond funding cuts to immigrant and refugee services, DEI-related funding threats have hit member organizations more broadly. A quarter of respondents identified threats to DEI as a top concern. Member organizations have either had to scrub references to diversity programming or risk losing funds. One respondent reported, “We decided not to take the word ‘equitable’ out of our mission statement. While unknown if this was the exact cause, we lost 3-4 historic sponsors this year.” Another said, “We have been forced to sunset a premier program that empowered 175+ women of color to build thriving, self-sustaining careers. The policy change directly triggered a loss of over \$500K in funding.”

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“We have been forced to sunset a premier program that empowered 175+ women of color to build thriving, self-sustaining careers. The policy change directly triggered a loss of over \$500K in funding.”

90%

report increased operational costs due to inflation

44%

believe inflation has also increased the demand for services

69%

cite rising costs among the top three things keeping them up at night

46%

worry about Changes in Medicaid, SNAP and other federal programs

In addition to cuts from the federal government, inflation is creating significant headwinds for nonprofits. Almost 90% of respondents reported that the recent inflationary spike has increased agency operational costs, while 44% believe inflation has also increased the demand for services. Meanwhile, 69% reported rising costs among the top three things keeping them up at night. Changes in Medicaid, SNAP and other federal programs was the second-most-common source of worry, at 46%. “Between inflation and many of our clients losing SNAP and Medicaid benefits,” a respondent reported, “people need assistance more than ever.”

A CALL FOR SHARED SOLUTIONS

As Franklin County continues to see health and human service needs increase while resources are shrinking, the region's projected population growth will only intensify these challenges. It is more apparent than ever that we require sustained, reliable funding streams to support our sector and the people we serve.

In 2025, the City of Columbus and Franklin County partnered to convene the Funding Review Advisory Committee (FRAC), a group of local business, civic, and community leaders tasked with evaluating public funding practices, analyzing existing and potential revenue streams, and developing recommendations to support the local human services, cultural arts, and travel and tourism sectors. In March of this year, the FRAC recommended a few new and adjusted revenue sources directed toward human services, while cautioning that dedicated fees alone cannot meet the scale of need. This group also recommended that the City and County consider raising broad-based taxes to fund that need directly.

The FRAC's recommendations for human services include:

- A \$2-per-day Columbus car rental surcharge, estimated to generate about \$6 million annually.
- A Franklin County rideshare excise tax, extending the county's existing 8% sales tax to rideshare trips (pending state legislative authority).
- An increase of Franklin County property transfer fees from \$2 to \$3 per \$1,000 of property value, estimated to generate about \$8 million annually.
- An increase to the City of Columbus income tax; a 0.25% increase is estimated to generate approximately \$91 million annually.
- A new Franklin County property tax levy; a 2-mill countywide property tax levy is estimated to generate approximately \$102 million annually.

We applaud the thorough process of the committee, and we urge Franklin County and the City of Columbus leaders to honor their work by giving each of these ideas serious, continued consideration.



Other communities facing similar pressures have found ways to build funding systems more durable than a single grant cycle.

We also recommend serious review of these proven examples from peer communities:

- A separate, predictable, recurring funding base for core services, such as Portland's Supportive Housing Services Measure, Kansas City's Health Levy, and Cincinnati's Human Services Fund, each of which separates stable funding from annual, discretionary grants.
- A backbone organization to coordinate and align resources, such as Jacksonville's Office of Strategic Partnerships and Charlotte's "A Home for All" communitywide homelessness strategy, which align government, philanthropy, and nonprofit partners around shared priorities.
- Streamlined, consolidated processes that reduce administrative burden on nonprofits, such as San Antonio's Consolidated Funding Process, which combines multiple city funding streams into a single RFP and contracting cycle, and Nashville's centralized HUB application, which gives organizations one common entry point to apply for multiple funding opportunities.
- A dedicated fund to support health and human service infrastructure, including technology, finance and shared staffing, as modeled by Cincinnati's Better Together Fund.
- Multiyear contracting based on measurable outcomes such as housing retention, reduced shelter returns and employment stability, as is done in Charlotte, Indianapolis, and Providence.

These changes will take time, but our sector does not have the luxury of waiting. While we work towards long-term solutions, we invite community leaders, funders, and partners to help us identify near-term strategies to bridge the gap to help our members continue serving our communities.

Franklin County's health and human service agencies have adapted to less money and more need without losing sight of the people they serve, but adaptation has limits. Creativity and collaboration cannot replace real, sustained investment, and our region's growth will only widen the gap between what's needed and what's available.



Closing that gap will take all of us working together to build a health and human services system for where our region is headed, not just where it's been. Our members do this work every day, without the sustained, reliable funding the work requires. Imagine what they could do with it.

HSC STAFF AND BOARD OF DIRECTORS



Michael Corey
Executive Director



Bhumika Patel
Deputy Director



Lindsay Barber
Director Of Operations & Member Experience



Lauren Sands
Wellness & Member Services Manager



Cardella Wood
Executive Assistant



CHAIR
Kathleen McGarvey
Executive Director, Legal Aid of Southeast and Central Ohio



VICE CHAIR
Karen Mozenter
CEO, Jewish Family Services



SECRETARY
Dr. Seleshi Asfaw
Executive Director, Ethiopian Tewahedo Social Services



TREASURER
Elizabeth Martinez
CEO, Big Brothers Big Sisters of Central Ohio



**NOMINATIONS
COMMITTEE CHAIR**

Dr. Gina Ginn

CEO, Columbus Early Learning
Centers



Tasha Booker

CEO, Action for Children



Toni Cunningham

CEO, The Godman Guild



John Dawson

CEO, Community for New
Direction



Jennifer Fowler Howard

Senior Managing Director
Per Scholas Columbus



Nicol Ghazi

Executive Director, Muslim Family
Services of Ohio



Isi Ikharebha Green

President, Physicians
CareConnection



Dr. Patrick Maynard

CEO, I Am Boundless



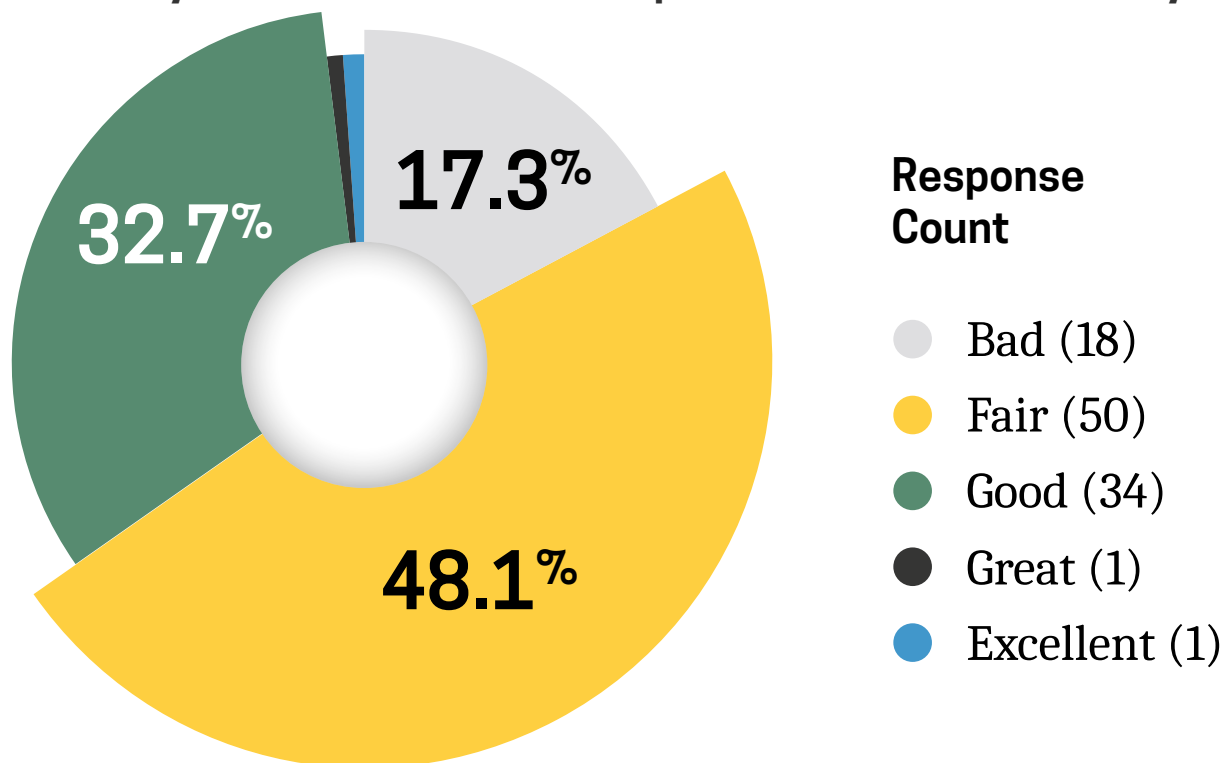
Vickie Thompson-Sandy

CEO, The Buckeye Ranch

KEY FINDINGS

SECTOR SENTIMENT

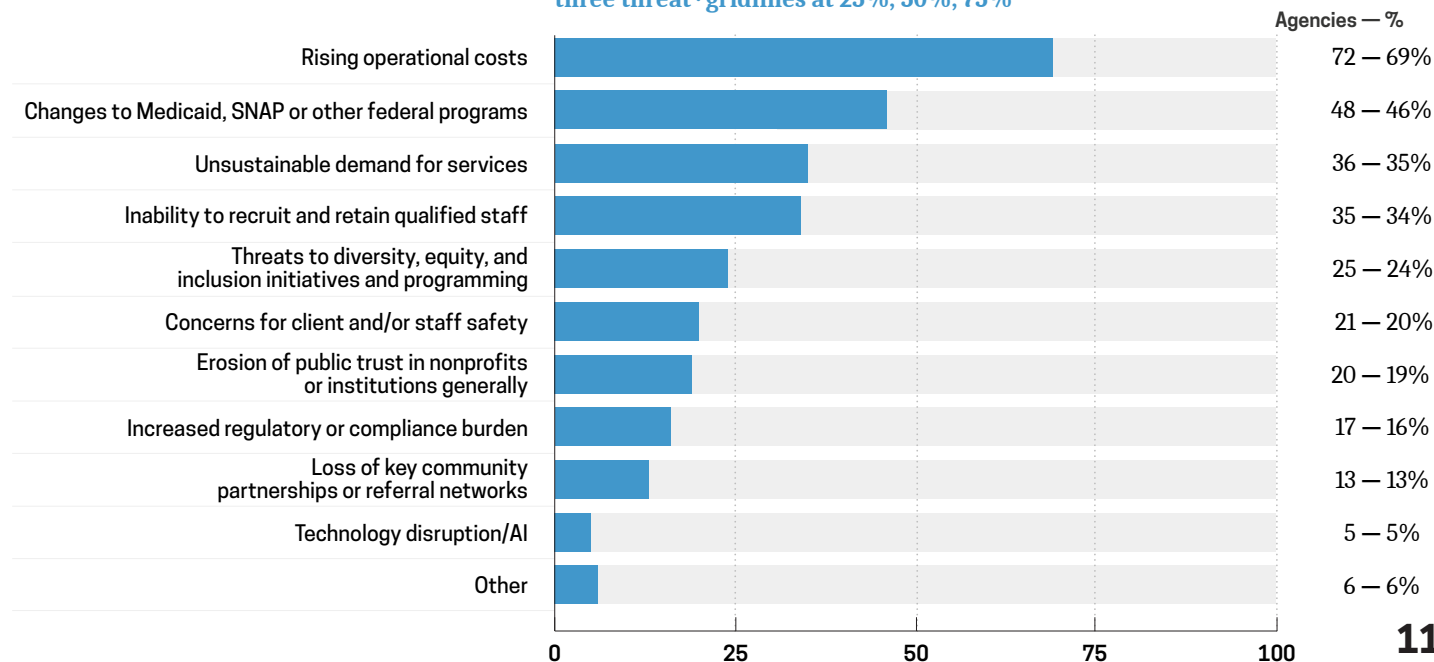
Overall, how would you rate the state of the nonprofit sector in Franklin County?



TOP CONCERNS

Rising operational costs are the top non-funding threat, named by more than two-thirds of agencies.

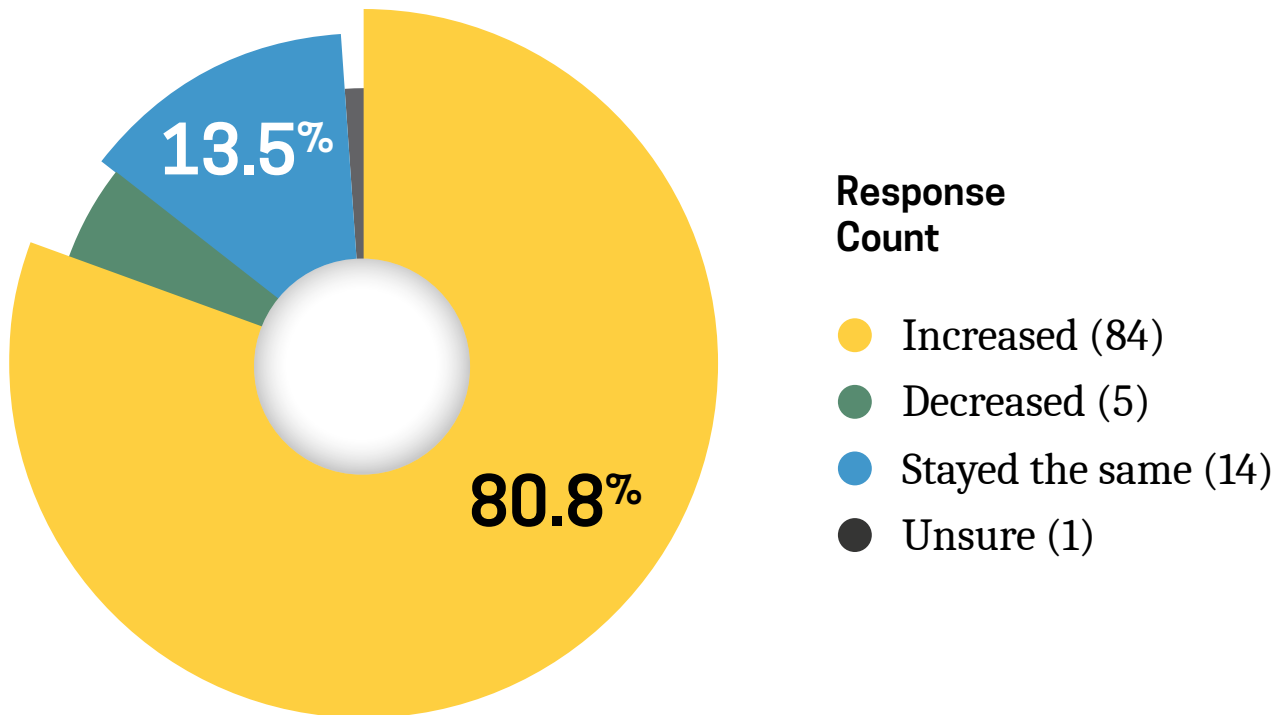
Share of 104 agencies naming each as top three threat · gridlines at 25%, 50%, 75%



No agencies selected "we do not have any of these concerns"

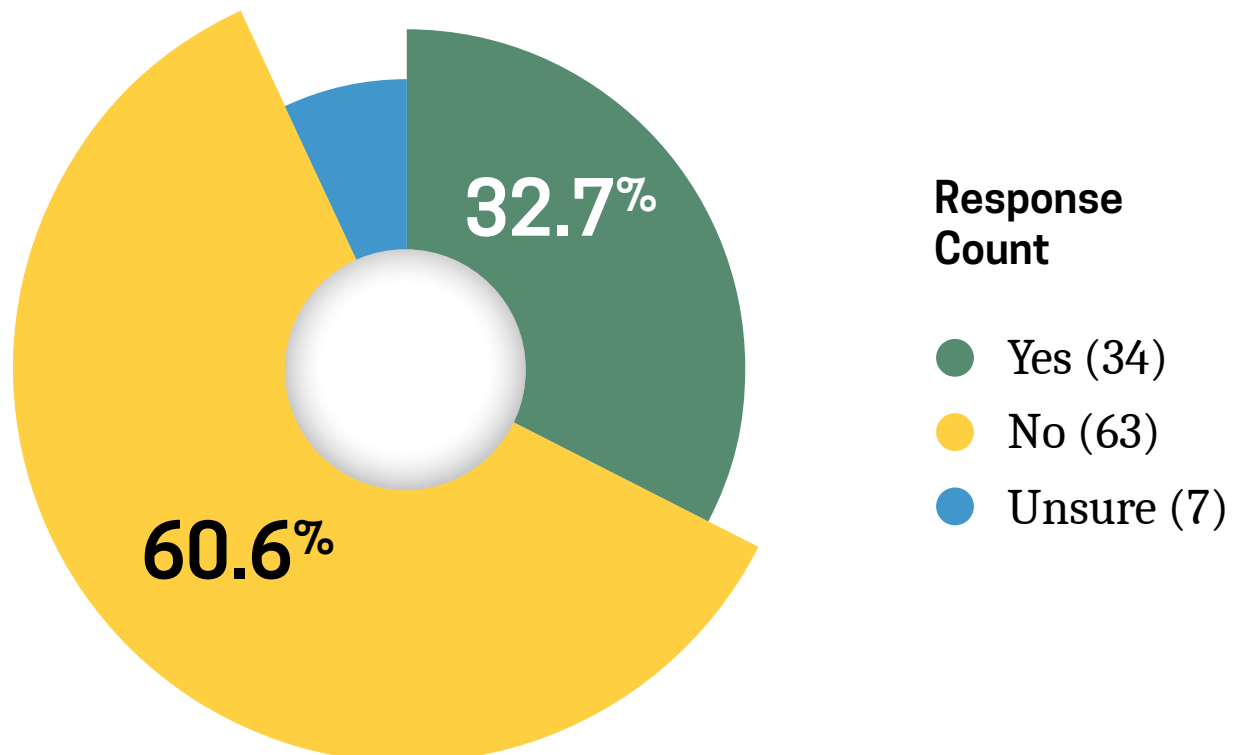
DEMAND FOR SERVICES

In the past 12 months, has demand for your services



DEMAND FOR SERVICES

Is your agency currently able to meet demand for services?



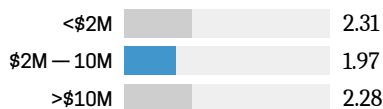
THE \$2M - \$10M ORG SQUEEZE

The Data:

This band is the worst-positioned group on nearly every measure:

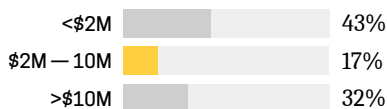
Sector sentiment

mean, 1-5 scale · n = 49/30/25



Can meet current demand

% of band · n = 49/30/25



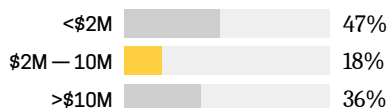
Better off or about the same as last year

% of band · n = 34/22/22



Expect a stronger position in 12 months

% of band · n = 34/22/22



Able to forecast the next 12 months

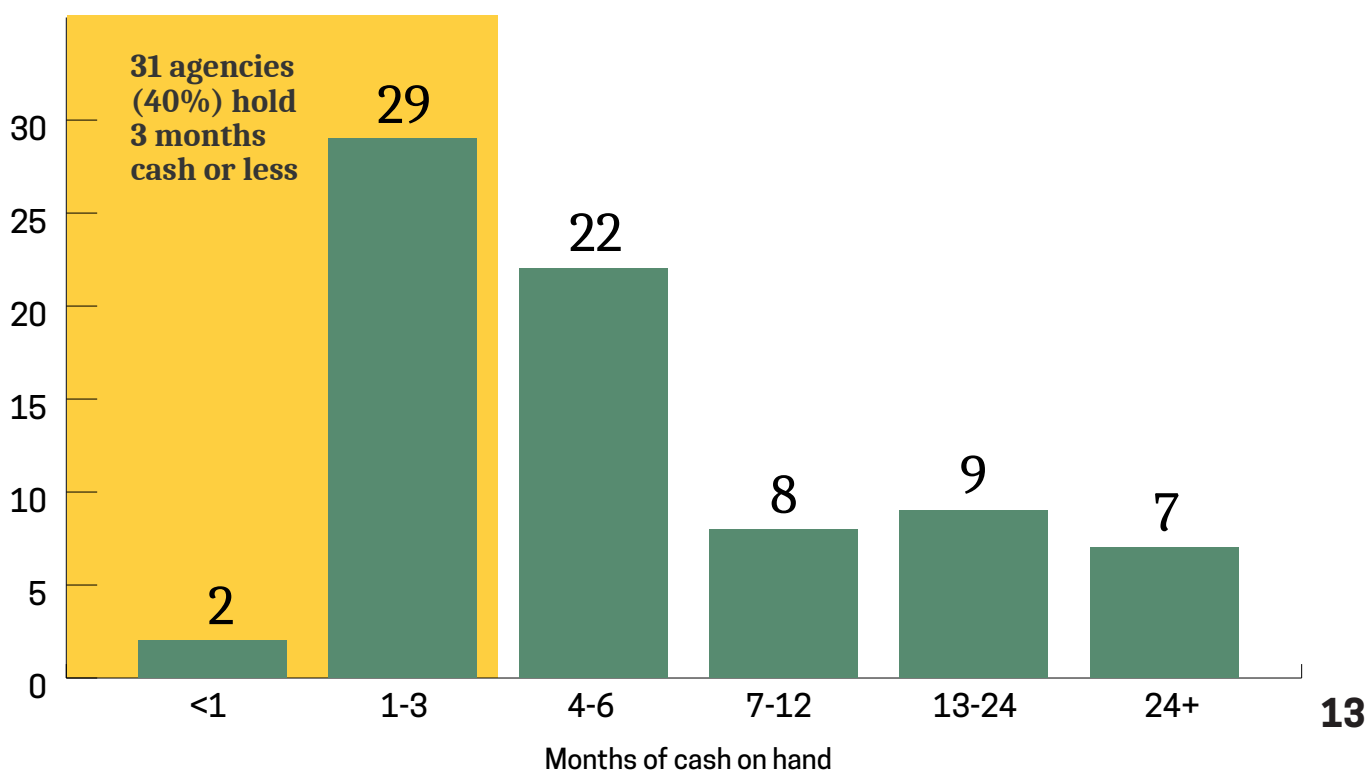
% of band · not unsure · n = 34/22/22



Sector sentiment and ability to meet demand are from the base survey (104 respondents); the three financial measures are from the finance survey (78 respondents). Bands are HSC membership revenue levels. Sentiment bars are scaled across the 1-5 response range. “Better off or about the same” and “able to forecast” are the complements of the survey’s “worse off” and “unsure” response options.

CASH ON HAND

Two in five agencies hold three months of cash or less

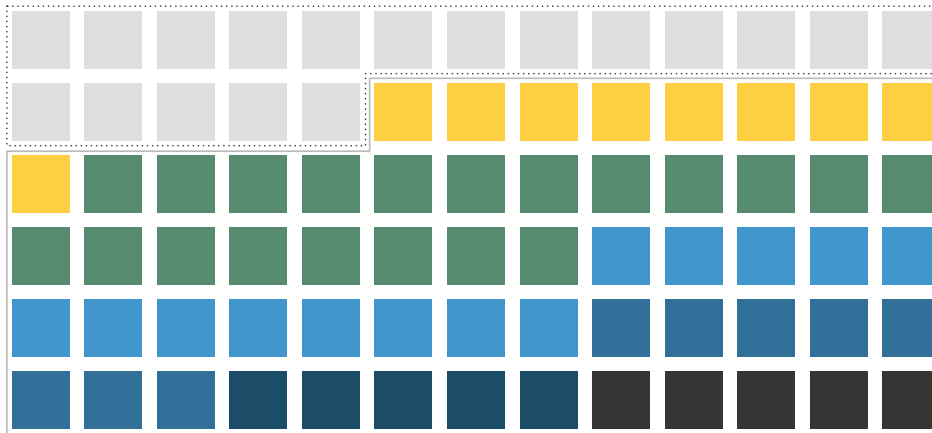


SIGNIFICANT OPERATIONAL MEASURES

More than three in four agencies took significant operational measures in the past 12 months.

And nearly a quarter took four or more at once.

None (18) 1 measure (9) 2 (20) 3 (13) 4 (8) 5 (5) 6 (5)



60 of 78
took at least one significant
operational measure

18 of 78
took four or more measures

Operational Measures

- Accessing cash reserves, lines of credit or endowment
- Cutting other costs
- Eliminating or reducing physical space
- Program eliminations
- Program reductions
- Reduction in staff wages and/or benefits
- Selling assets to maintain operations
- Workforce adjustments (layoffs, hiring freezes, reduced labor hours)
- No, we have not taken any of these actions

IN THE NEWS

TAXES, CORPORATE GIVING EYED TO PATCH COLUMBUS' NONPROFIT SAFETY NET.

Central Ohio's safety net is already struggling to catch all the residents who need help with food, housing, health care, child care, elder care and lots of other expenses that have outpaced wages...

- The Columbus Dispatch

CENTRAL OHIO NONPROFITS FEEL FEDERAL FUNDING SQUEEZE

Columbus-area nonprofits providing housing, food access and other basic services face growing financial strain as federal funding cuts increase demand and intensify competition for private donations...

- Axios Columbus

NONPROFIT GROUP PROMOTING HEALTHY FOOD IN COLUMBUS SHUTS DOWN AFTER 18 YEARS

A local nonprofit that has promoted healthy food and increased food access in low-income neighborhoods is closing its door after 18 years...

- WOSU Public Media

OHIO WILL LOSE 51,000 JOBS, \$5.3 BILLION DUE TO TRUMP CUTS BY 2029, NEW ANALYSIS FINDS

That's the effect that cuts to Medicaid and food assistance under a massive 2025 spending law will have when they're fully phased in. It's also the consequence of Republicans allowing Affordable Care Act subsidies to expire at the end of the last year, according to a Commonwealth Fund analysis which was published last week...

- Ohio Capital Journal



HUMAN SERVICE CHAMBER

OF FRANKLIN COUNTY



Report analysis and design provided in-kind by Werth PR.