CATALYST
OF SAN DIEGO & IMPERIAL COUNTIES

2025 REPORT

Pulse of the Practice

A regional review of philanthropic practice

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Acknowledgments

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This work was conducted in partnership with The Nonprofit Institute, which provided support on survey design, data analysis, and consultation on interpretation and reporting.

We are grateful to the 35 foundation leaders who supported this effort through their time and transparency. Thank you for your leadership and for your commitment to advancing philanthropic practices in the San Diego and Imperial County region.

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A message from our CEO

MEGAN THOMAS
President & CEO
Catalyst Of San Diego &
Imperial Counties

One of the most frequent questions I continue to field in my role as President and CEO of Catalyst of San Diego & Imperial Counties is, “What are other funders doing?” That question feels even more urgent today than it did two years ago, when we first launched the Pulse of the Practice survey. The Pulse of the Practice was created to help answer it — to provide a clear view of the prevailing practices shaping funding decisions across foundations and funding organizations of all shapes and sizes in the Southern Border region.

Now in its second iteration, the Pulse reflects participation from 35 foundations and funding organizations. Together, these responses offer a meaningful snapshot of how philanthropy in our region is evolving — not in isolation, but in relationship to one another and to the communities we serve. We are proud to once again partner with The Nonprofit Institute at the University of San Diego School of Leadership and Education Sciences to align this data with insights gathered from nonprofit leaders. Combined, these perspectives continue to provide one of the most comprehensive looks at philanthropy in our region.

This year’s findings arrive amidst unprecedented turbulence. Federal policy shifts, changes in public funding streams, and heightened uncertainty have created new pressures for both nonprofits and the foundations that support them. Across the data — and in the stories shared by participants — we see funders responding: increasing payout rates, speeding up decision timelines, adjusting grant structures, supporting advocacy, and strengthening collaboration. While challenges persist, so does resolve.

As we shared in 2023, this is not a report card. It is a pulse. Philanthropy is complex, and progress is rarely linear. The data reflects nuance — areas of strength, areas of opportunity, and a region navigating change together.

To every organization that contributed time, transparency, and insight: thank you. Two years in, we can say with greater confidence that we are not only observing change — we are actively shaping it, together.

With gratitude and optimism,

Megan Thomas

Executive summary

Our survey findings point to a field adapting in real time. Dollars are moving more quickly, unrestricted funding is on the rise, and long-standing patterns of who is funded are beginning to shift. Though progress varies, clear signals show funders recalibrating to better meet the demands of this moment.

01 Money is moving faster

Speed is the most significant year-over-year shift, with decision timelines, disbursement timelines, and installments all seeing marked speed increases. Funders making grant decisions in under one month increased from 15% to 23%. Funds disbursed in under one month jumped from 68% to 82%. And upfront payment remains the dominant model (over 90% in the repeat sample size and 82% across the full sample).

02 Unrestricted and multi-year funding is rising

Between 2023 and 2025, funders shifted toward providing more mixed or mostly unrestricted portfolios. The share of funders requiring no renewal application increased from 40% to 52% among the repeat sample and 54% across the full sample. And the average grant length edged longer, with more 2-year and 5-year grants reported. Medium-sized foundations lead these trends.

03 Who is funded is shifting

Funders are narrowing in some ways and broadening in others: A much larger share now funds both 501(c)(3)s and fiscally sponsored organizations (from 46% to 76% between 2023 and 2025). At the same time, fewer funders reported supporting a very broad mix that includes informal or non-charitable entities.

04 Equity lenses are growing selectively

Year-over-year data show growth in the use of equity lenses, particularly increased use of race/ethnicity and marginalized status of communities served when making funding decisions. While there was a notable uptick in considering the marginalized status of organizational leadership (from 46% saying “not used” in 2023 down to 27% in 2025), community characteristics continue to outweigh leadership demographics in funding decisions.

05 Shifts to meet the moment are evident

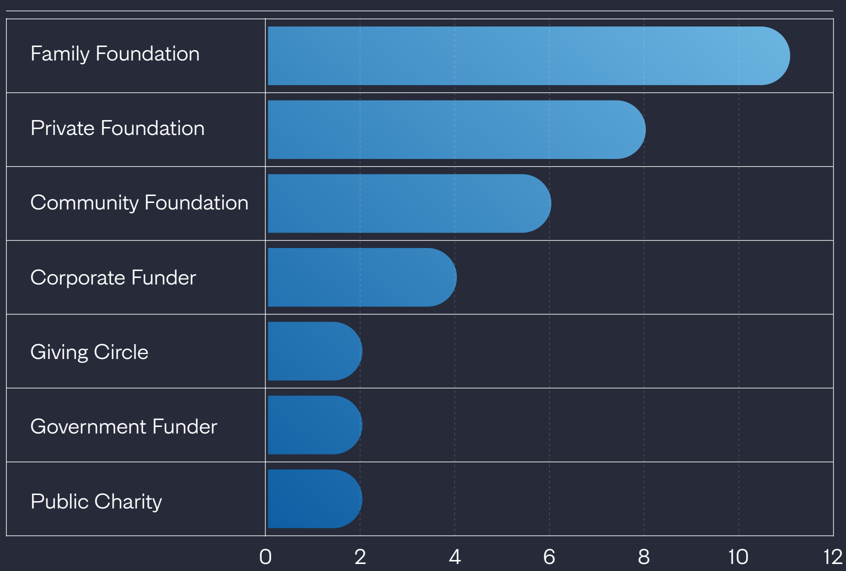
Amid federal funding instability and shifting policy conditions, San Diego funders reported actively adapting their practices. At the time of surveying (late summer 2025), 83% of respondents indicated they had made at least one change to their typical grantmaking approach in response to the evolving landscape. The most common adjustments included funding new or different grantees (43%) and increasing typical grant amounts (31%).

About the sample

Funder type

FIGURE 01

Responses by funder type



At-a-glance

35 Funders
Thirty-five funders contributed their information to this survey.

$800M Giving
Sample collectively gave more than $800M in 2023, and is expected to exceed that in 2025.

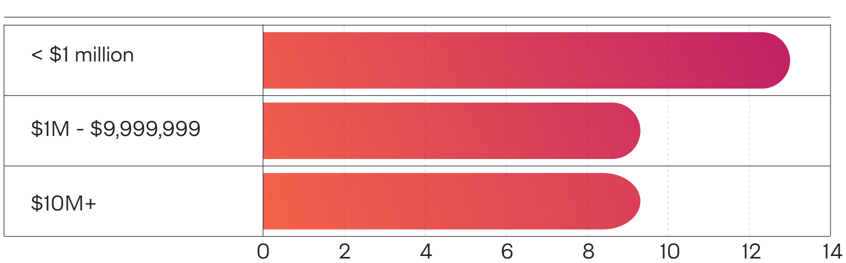
$12B Assets
Sample conservatively represents more than $12B in philanthropic assets.

Operating budgets

Throughout this report, you will see the sizes of funders under three categories based on estimated annual operating budgets: Small Funders (operating budgets of less than $1M); Mid-Sized Funders (operating budgets of $1M-$9,999,999); and Large Funders (operating budgets of $10M+).

FIGURE 02

Operating budgets of survey sample



Staff size

≈1/2 Nearly half of respondents have five or fewer paid staff working on grantmaking.

17% rely exclusively on volunteers.

Comparison

Year-over-year comparison is based on N=22 funders who completed the survey in 2023 and 2025.

SECTION 01

Funding practices

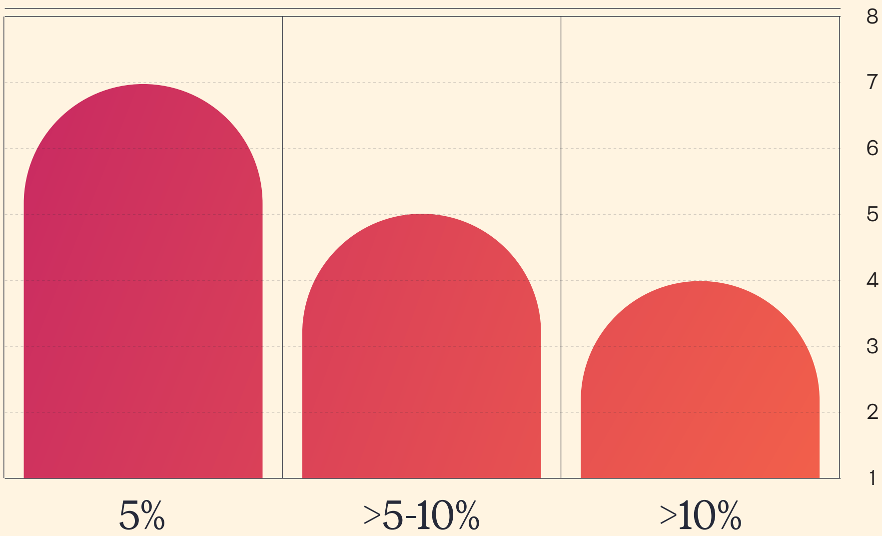
How money moves

Endowments

More than half of endowed funders had, or planned to, increase their payout rate in 2025 at the time of surveying, but 5% remains the prevailing practice.

FIGURE 03

Reported endowment payout rates N=17



53%

Fifty-three percent of organizations that reported having an endowment indicated that they had already, or were planning to, increase their endowment payout percentage in 2025.

Mid-sized funders were the only size to report more than 10% payout rate.

Data trend: Shifting practice

There was a notable shift in how funders calculate payout between 2023 and 2025. In 2023, most **did not** include operating expenses (67%), but by 2025, a majority (58%) reported including them.

Endowments split the sample

Just under half of all survey respondents reported having an endowment. This speaks to the varied nature of the make up of funders in our region.

Funding mix

There is an increase in funding fiscally sponsored projects, but with it comes a decrease of funding a broader mix of organization types.

FIGURE 04

YOY comparison of percentage of funders who fund beyond 501(c)(3)

	2023	2025	CHANGE
Fund nonprofits with their own IRS 501(c)(3) status. Do not fund fiscally sponsored projects.	14%	10%	-4%
Fund both fiscally sponsored organizations and 501(c)(3) nonprofits.	46%	76%	+30%
Fund broad mix including 501(c)(3) nonprofits, fiscally sponsored organizations, and other groups without their own IRS tax status (e.g., worker cooperatives and grassroots groups).	41%	14%	-27%

4 OF 10

funders supporting advocacy and policy-related work reported they fund 501(c)(4) organizations.

31%

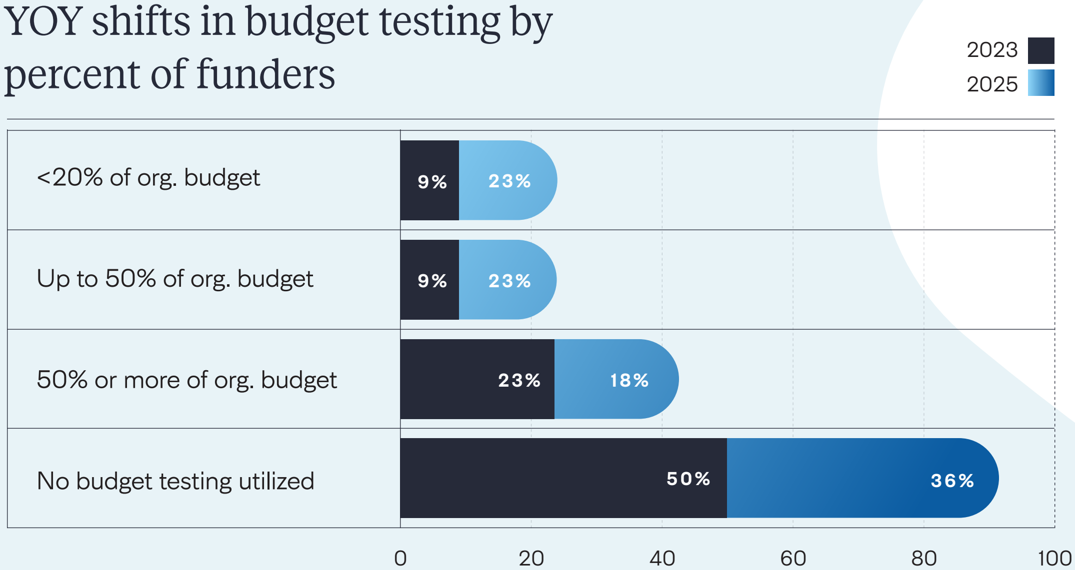
of funders reported including Imperial County in their grantmaking.

Budget testing

More organizations utilize budget testing in 2025 vs 2023.

FIGURE 05

YOY shifts in budget testing by percent of funders



82%

provide unrestricted funding, with 32% providing a majority or all unrestricted.

Grant length

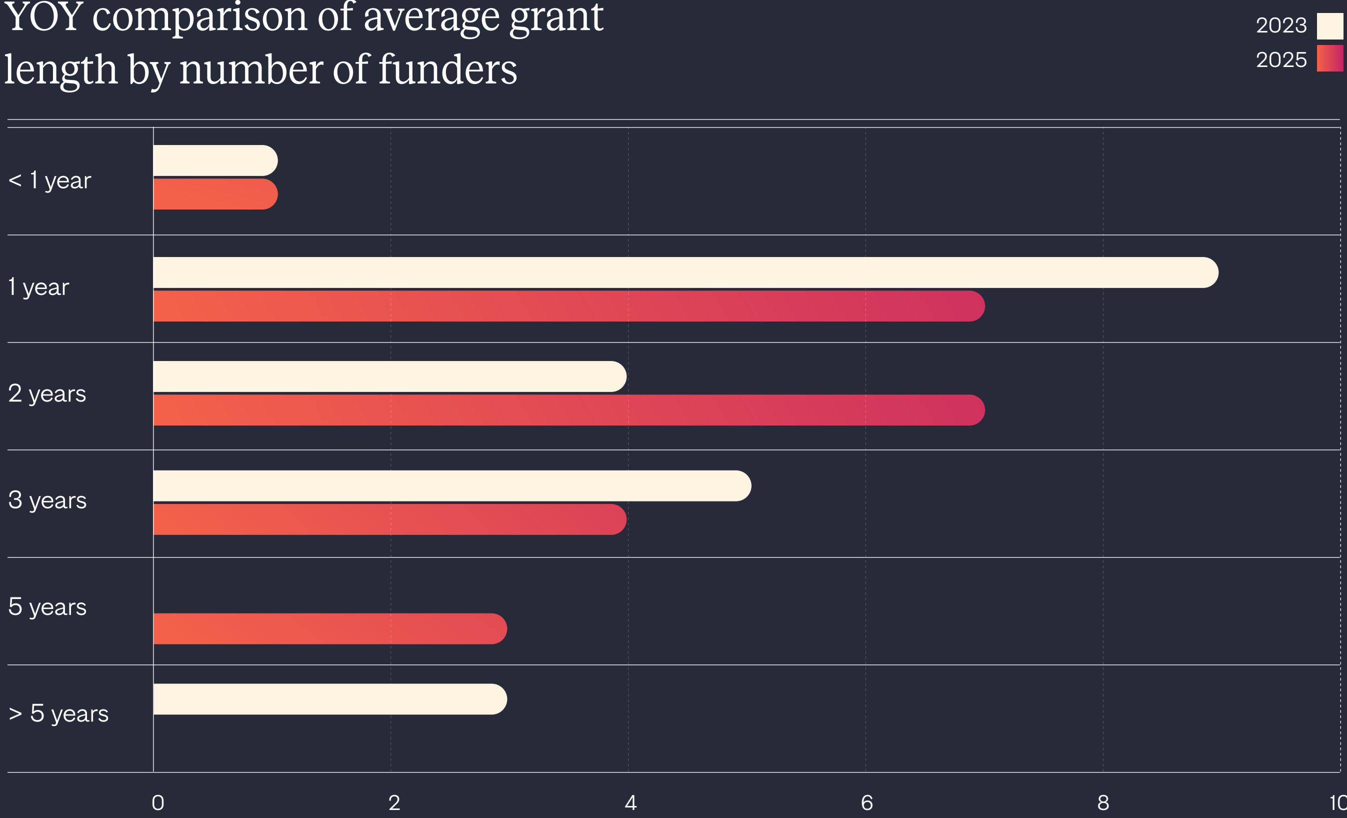
In 2023, most grants were one year in length. By 2025, one and two-year grant timelines were reported equally often.

32%

of total sample's average grant duration is more than two years.

FIGURE 06

YOY comparison of average grant length by number of funders



Timelines and distribution

< 4 hours

Sixty percent of funders reported their application takes under four hours to complete.

< 1 month

Seventy-four percent of funders distribute funds less than one month after awarding.

1-3 months

Eighty-three percent of funders communicate grant decisions within three months.

100% funding received

Eighty-two percent of funders pay out the entirety of the grant up front or at the start of each granting year.

Impact investing

Our 2023 to 2025 comparison data set shows a slight decline in foundations that participate in impact investing, as well as a decline in those considering impact investing. Of those organizations that impact invest, half of them are moving their endowment towards a majority impact portfolio.

FIGURE 07

YOY comparison of impact investing, by number of funders

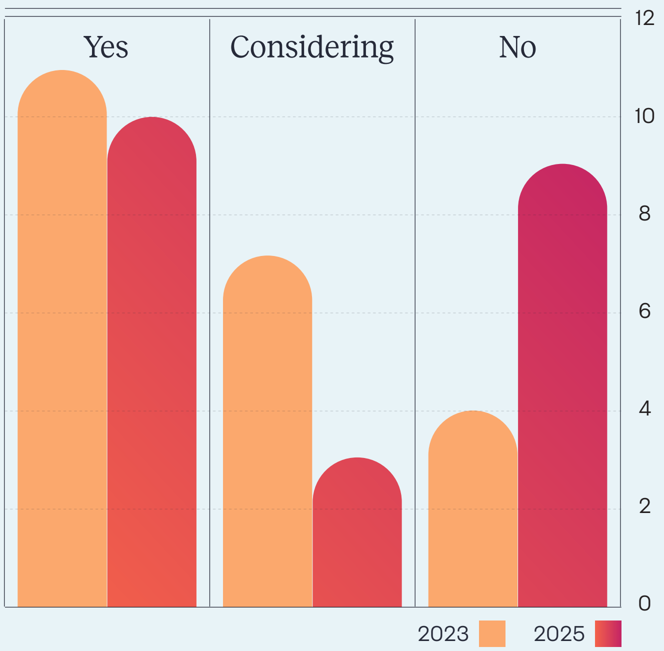
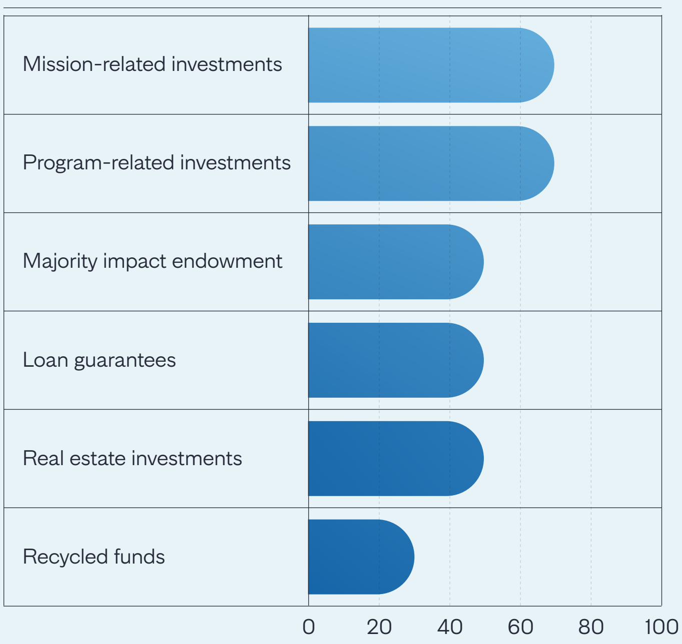


FIGURE 08

Types of impact investing by percentage



Support beyond the check

While funding remains the highest priority need, funders are increasingly moving their support beyond their dollars to leverage their influence and capacity to support grantees.

FIGURE 09

Types of support beyond funding by percentage of funders

Convenings/peer learning	73%	Collaborative funding	59%	Reduced application requirements	46%
Communications & amplification	68%	Nonprofit sector advocacy	55%	Legal/compliance support	41%
Consulting support	68%	Technical assistance	55%	Policy-related & advocacy support	32%

Grant processes

The paperwork of it all

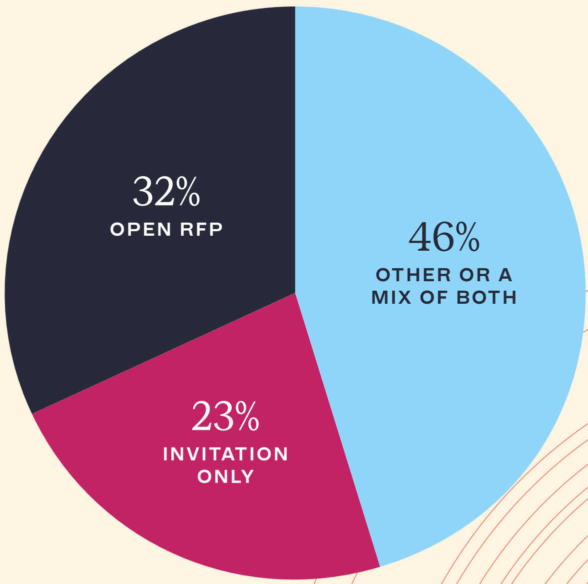
One size isn't fitting all

The consistency of choosing "other" as the most prevalent response to questions about the application process demonstrates the variability in the approaches, and likewise, a commonly expressed point of frustration for nonprofits.

> "We use a variety of approaches — requests, invitations, and our own goals."
>
> SURVEY PARTICIPANT

FIGURE 10

Approaches to grant applications



Reporting requirements

Small funders tend to provide simpler, more flexible application processes compared to large funders looking to standardization.

48%

Forty-eight percent of funders require just one report (e.g. a final report).

36%

Thirty-six percent of funders do not require any formal reporting.

32%

Thirty-two percent of funders accept reports written for other funders or a verbal conversation in place of written report.

Proposal format

Responses varied widely for applications. While the prevailing practice reported was requiring one format, 23% reported “it depends”, with one respondent specifically reporting that there is no one-size fits all approach.

FIGURE 11

Proposal formats accepted

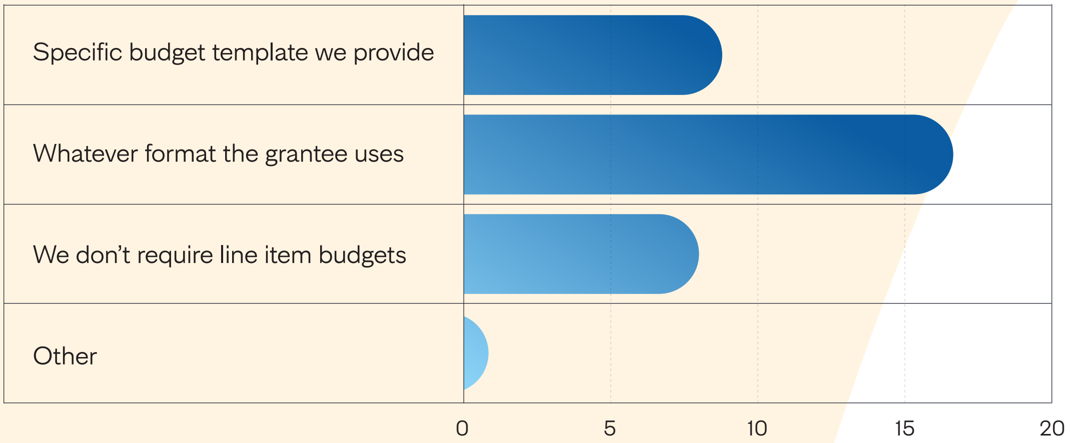
We specify one required format for all applicants	40%
We specify what formats proposals can be received in, and the options go beyond a traditional document (e.g. video, oral presentation, other languages)	17%
We allow applicants to choose the format of their proposal (e.g. handwritten, video, different languages)	20%
Other	23%

Budget format

There’s greater flexibility when accepting budgets, with the majority accepting in any format the grantee chooses — and eight funders not requiring any line item budget at all.

FIGURE 12

Budget paperwork required, by number of funders



54%

use simple contracts that only require a signature, or no formal contract at all.

SECTION 03

People served

Funders remain committed to equity lenses

With diversity, equity, and inclusion under attack at the federal level, our regional data shows a steady growth in applying lenses of socioeconomic status, race/ethnicity, and other marginalized status (like disability, veteran, or immigrant) when making funding decisions. Growth in applying these lenses is evident across each measured area, but considering an organization's leadership makeup remains split. Please note that for all answers in this section, the question called out that this is for grants that are not a redistribution of federal funds.

91% targeted funds based on the socio-economic status of the communities served.

87% targeted funds to organizations serving other marginalized groups.

82% targeted funds to organizations serving POC.

73% targeted funds to organizations led by other marginalized groups.

59% targeted funds to organizations led by POC.

FIGURE 13

Funding decisions by race, ethnicity, or marginalized status

01. A small but growing number of funders reported applying a lens of the race/ethnicity of a nonprofit's leadership when making most funding decisions.

02. 18 percentage point growth in this lens compared to 2023.

	Led by people of color		Serving people of color		Led by people of other marginalized status*		Serving other marginalized communities*	
	2023	2025	2023	2025	2023	2025	2023	2025
Most of our funding decisions use this lens	14%	23% (01)	46%	50%	14%	18%	46%	46%
Some of our funding decisions use this lens	41%	36%	32%	32%	41%	55%	23%	41% (02)
This lens is not used in our funding decisions	46%	41%	23%	18%	46%	27%	32%	14%

Rounded to the nearest number, columns may not add up to 100. In instances where a column is under 100, "don't know/unsure, or "I'm not comfortable answering" answers were submitted, not represented here.

* Other marginalized status people or communities can include but is are not limited to veterans, immigrants, people with disabilities, LGBTQIA

SECTION 03

Leadership within

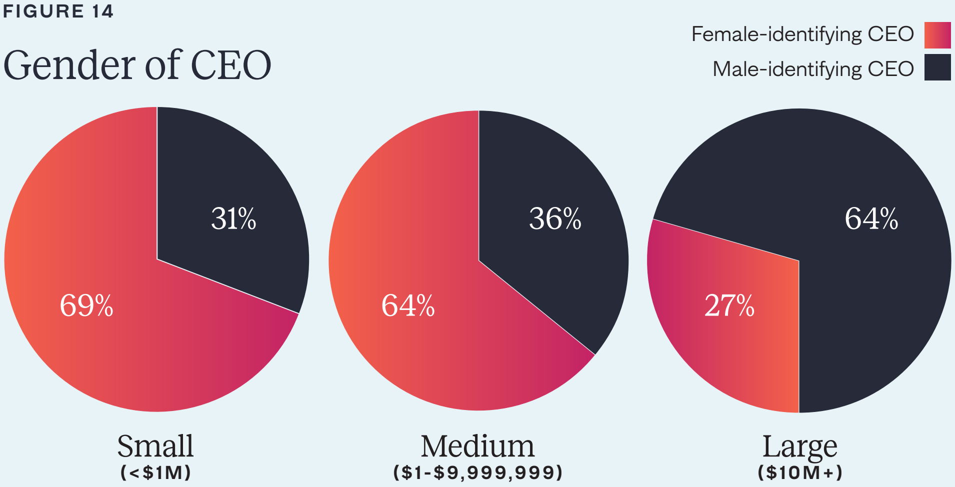
The people behind the practices

Budget size informs CEO gender

Consistent to findings from 2023, in 2025 the data demonstrates that the larger operating budget your foundation has, the more likely your CEO will be a man. This data is consistent with findings of nonprofit organization leadership through The Nonprofit Institute Annual Nonprofit Leader Survey. No one reported a gender identity other than male or female, but one organization preferred not to disclose, resulting in an under 100 percent total for large-sized funders.

FIGURE 14

Gender of CEO

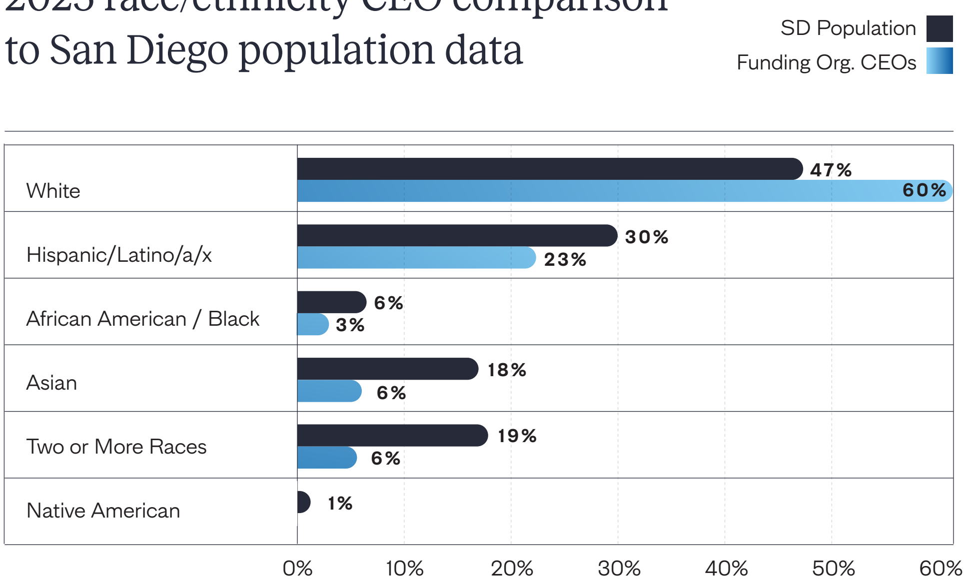


Diversity at the top

Reported race and ethnicity of executive leadership shows slight growth in Hispanic/Latino-identifying leadership (from 9 percent in 2023 to 14 percent in 2025 of the N=22 matched data set). White remains the predominant identity, outpacing overall population estimates. Population data is sourced from U.S. Census Bureau QuickFacts 7/24.

FIGURE 15

2025 race/ethnicity CEO comparison to San Diego population data

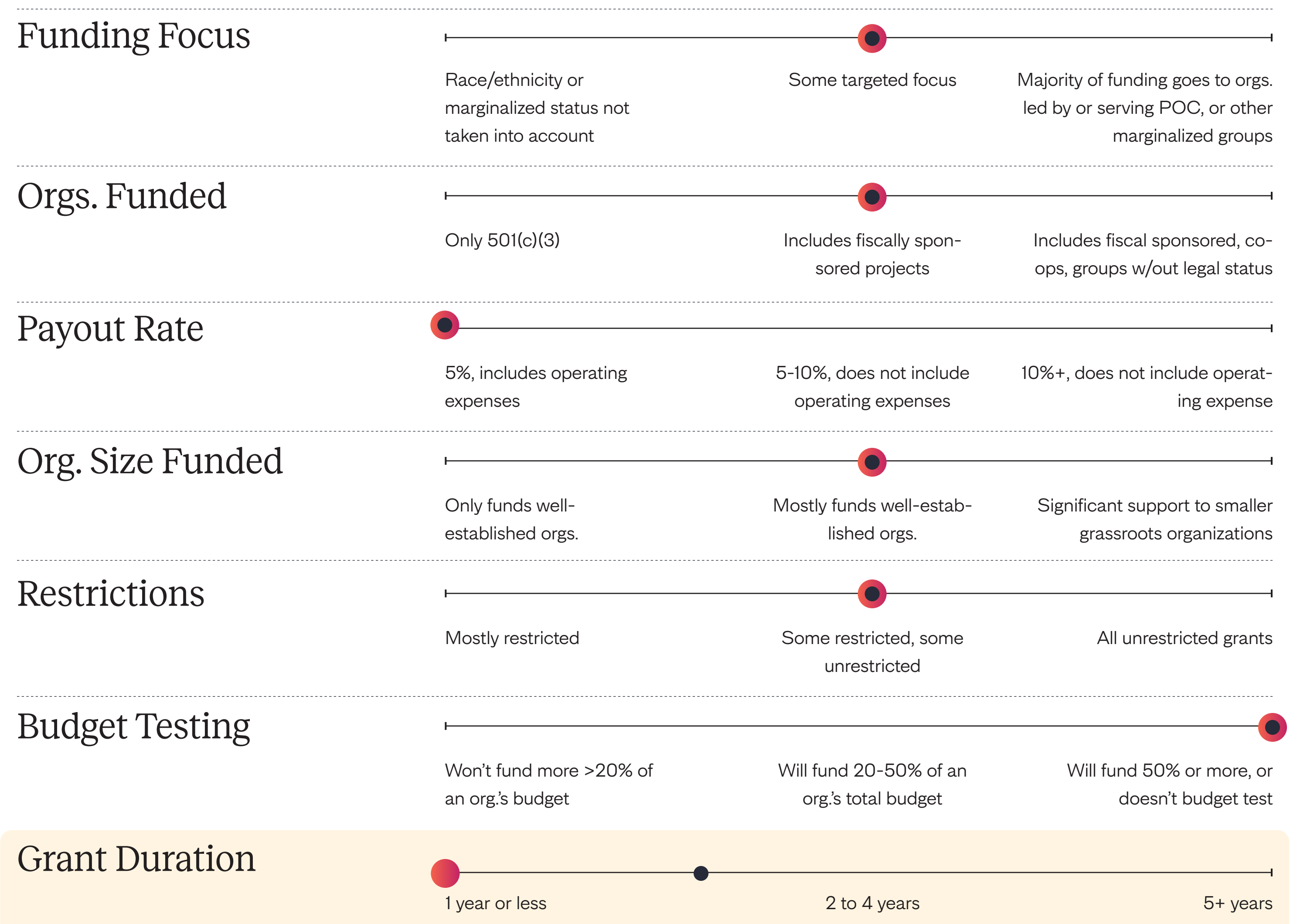


Equity continuum

Plotting our region's practices

To gain a clearer picture of what these pulse trends collectively show, we mapped each prevailing practice (highest percentage response) from the Pulse of the Practice data onto Vu Le's Equitable Grantmaking Continuum to understand where our region's dominant approaches fall. Overall, equitable practices have remained largely consistent from 2023 to 2025, with any changes highlighted.

- 2025
- 2023
- 2023 & 2025 (no change)



SECTION 03

Equity continuum

Plotting our region's practices

Application	15 or more hours to complete	4 to 14 hours	<4 hours to complete
Application Format	Requires specific format	Allows varying formats that all must use	Allows varying formats
Budget Requests	Funder-provided template	Accepts existing formats	Doesn't require line-item budgets
Matching	Requires cash match from other sources	No matching required	Funder solicits other funders to match
Decision Timeline	3+ months	1-3 months	<1 month
Disbursement	3+ months	1-3 months	<1 month
Contracts	Contract requires new documents completed	Short contract with little added work on org.	No contracts
Reimbursement	Payments are reimbursement based	Payments disbursed through installments	Up front payment, or up front at the beginning of each year
Reporting	Quarterly or more frequently	Every six months	Annual check-in
Reporting Process	Funder-designed forms for budget and narrative	Short reports, no budget breakdown	Accepts reports for other funders, or no formal report
Renewal Process	Requires new app	Shorter apps to renew	Funding reviewed via brief conversation or no app.

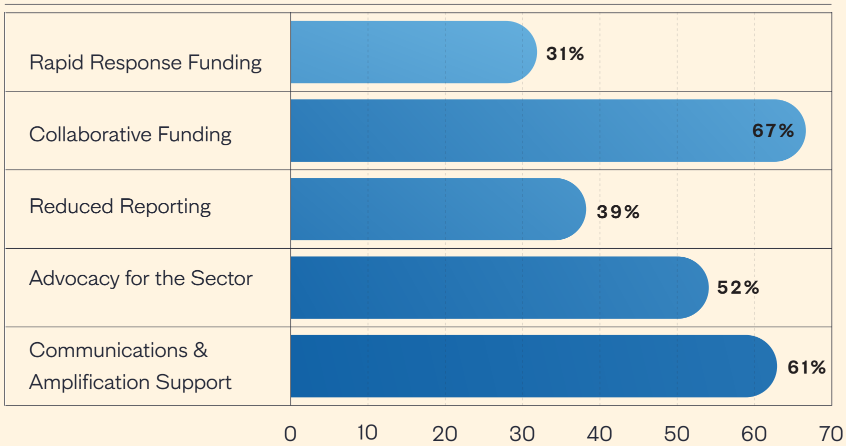
Meeting the moment

Adaptive practices to unprecedented challenges

Over the past year, demands on the social change ecosystem have grown sharply. While needs vary by organization, research from the Nonprofit Institute identifies the top priorities nonprofits cite in this moment. To the right, we show the share of funders addressing those needs.

FIGURE 16

Top five stated needs of San Diego nonprofits in ranked order and percent of funders who reported doing these things



43%
added new grantees to their portfolio.

31%
increased funding amounts.

26%
reported faster turnarounds and approvals.

26%
have funded a new issue area or community.

FUNDER FEEDBACK

"We have sought opportunities to fund where traditional sources of funding have been reduced or eliminated."

"We added extra security measures to protect the information shared in grant applications and talked to grantees on whether or not they would like to be publicly recognized in our grant announcements."

"Funders are experiencing trepidation and pressure to continue moving community resources and shift strategies."

SECTION 04

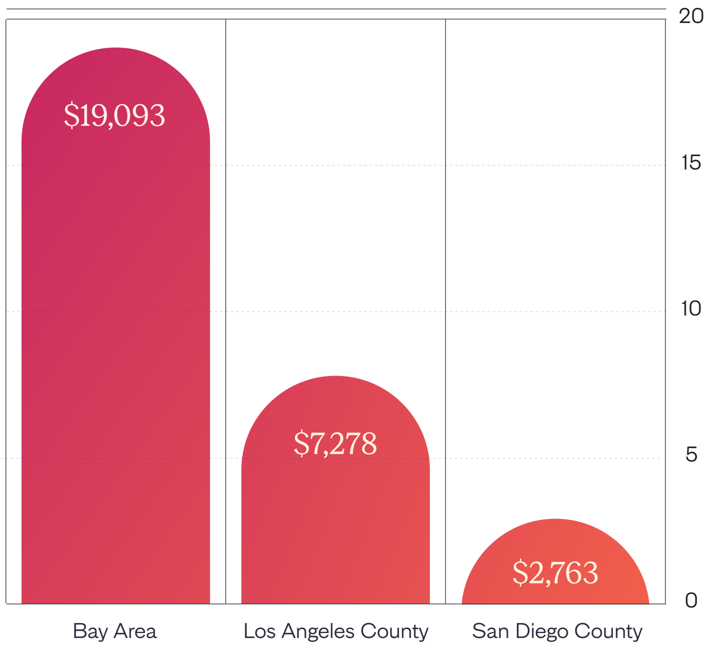
Meeting the moment

Enduring relationships and finite resources

Five years of grant data from San Diego and Imperial Counties show that philanthropy is largely driven by relationships. Yet the field is in motion: forty-three percent of funders reported adding new grantees to their portfolios. Whether this signals a lasting shift or a temporary response to the urgent needs remains to be seen.

FIGURE 17

Per capita foundation assets



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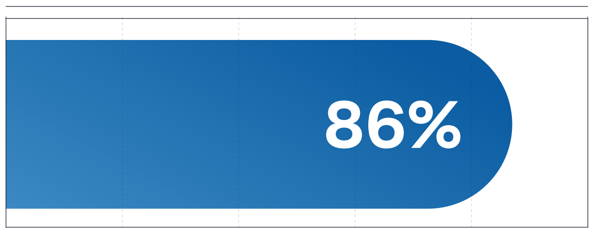
When need outpaces in-region resources, close partnership and collaboration with statewide funders is essential to making dollars go further. Catalyst is proud to count many of our state's largest funders among its network.

Source: The Nonprofit Institute 2025 Annual Report: State of Nonprofits and Philanthropy in San Diego.

FIGURE 18

Percent repeat grants over five years



Eighty-six percent of grants given between 2018-2023 ($4.88B) in San Diego & Imperial Counties were repeat relationships

>$30M

in additional funds have been deployed in response to unprecedented shifts in policy and funding.

Methods

Sources, limitations

Data in this report draw on three primary sources: The Catalyst Pulse of the Practice survey, The Nonprofit Institute Annual Nonprofit Leader Survey, and IRS filing data. Due to rounding and multiple selection options, some charts or tables may not add to 100%.

The Pulse of the Practice surveyed organizations and foundations whose funds help to support the Southern Border region. In total, 35 funders who provide funding in San Diego County and Imperial County participated, representing a sample that holds more than $12B in assets and gave more than $800M in 2023. Throughout the report, when you see a year-over-year comparison, the comparison data set is limited to 22 foundations that participated in both the 2023 survey and the 2025 survey. The survey was administered late summer and early fall of 2025, and relies on self-reported data from purposive sampling of senior-level staff. The survey was designed to complement data collected through The Nonprofit Institute at USD's Nonprofit Leader Survey (Tinkler, T., Sanchez-Kerr, C., Deitrick, L., Hanabusa, E., Cardenas, B., Nelson, T., and Piper, W. (2026). 2025 Annual Report: State of Nonprofits and Philanthropy in San Diego. San Diego, CA: The Nonprofit Institute, University of San Diego.) USD's survey was limited to San Diego County nonprofits and did not include Imperial County in its sample. The combined effort offers a comprehensive view of funding and nonprofit practices in the Southern Border region.

The Nonprofit Institute

The 2025 Annual Nonprofit Leader Survey was administered online between September and October and includes a convenience sample of 253 nonprofit executive leaders in San Diego County. The sample overrepresents arts, environmental, and large nonprofits (budgets over $5 million) and underrepresents education and very small nonprofits (budgets under $250K). The survey does not include Imperial County.

IRS form 990 data

Data on foundation assets and total giving was supplemented by 2023 IRS Form 990, 990PF, 990-EZ, and 990-Nelectronic (eFile) returns. Data was collected via Impala. IRS data presented are from the most recently reported year, which in all circumstances was the 2023 filing. When filing wasn't available, zero assets or giving were computed. For this reason, $800M in giving and $12B in assets is likely underrepresented of true total from sample.

Questions?
Let's chat.

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