

BEHAVIORAL HEALTH

In Cuyahoga County, nearly 6,000 nonprofits make up an ecosystem of social impact support. Behavioral Health nonprofits play a vital role in this ecosystem, encompassing 120 organizations that provide preventive, diagnostic, and treatment services to help people achieve, maintain, and enhance a state of emotional well-being, personal empowerment, and the skills to cope with everyday stress, trauma, or challenges. 73% of these organizations have an operating budget less than \$200,000 or are operating as a church or religious institution—meaning they are not required to report deeper data to the IRS. This snapshot provides a glimpse into the Behavioral Health nonprofit landscape throughout the county, with a deeper dive into the ~27% of organizations reporting comprehensive data.

BEHAVIORAL HEALTH NONPROFITS AT A GLANCE



2,635 WORKERS

429 BOARD MEMBERS

120

Behavioral Health Nonprofits

2%

of the sector

40
years old

Average age of Behavioral Health nonprofits

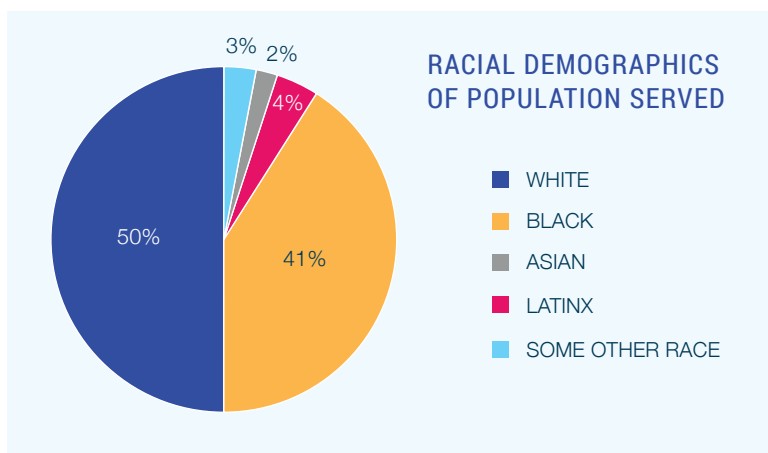
39% ADDICTION SERVICES

33% GENERAL BEHAVIORAL HEALTH

9% BEHAVIORAL HEALTH COUNSELING

8% RESIDENTIAL BEHAVIORAL HEALTH

8% COMMUNITY BEHAVIORAL HEALTH



BEHAVIORAL HEALTH NONPROFITS BY SIZE

73% of Behavioral Health nonprofits have revenues under \$200,000. The remaining ~27% that are required to report deeper data tend to be larger in revenue size and expenses than other nonprofits in Cuyahoga County, with the median revenues being \$487,000 compared to \$172,000 for all nonprofits included in the study, and median expenses being \$380,900 annually. Compensation and benefits make up a significant portion of Behavioral Health nonprofits' expenses.

Of the ~27% of Behavioral Health organizations with budgets over \$200,000, 24% have staff sizes of two or less people.

REVENUE BY STAFF SIZE

STAFF SIZE	# OF ORGANIZATIONS	% OF ORGANIZATIONS	MEDIAN REVENUE
0	6	18%	\$467,000
1-2	2	6%	\$276,000
3-5	2	6%	\$347,000
6-10	4	12%	\$515,000
11-20	4	12%	\$820,000
21-40	2	6%	\$2M
41-80	6	18%	\$3M
81-160	2	6%	\$5M
> 160	5	15%	\$12M

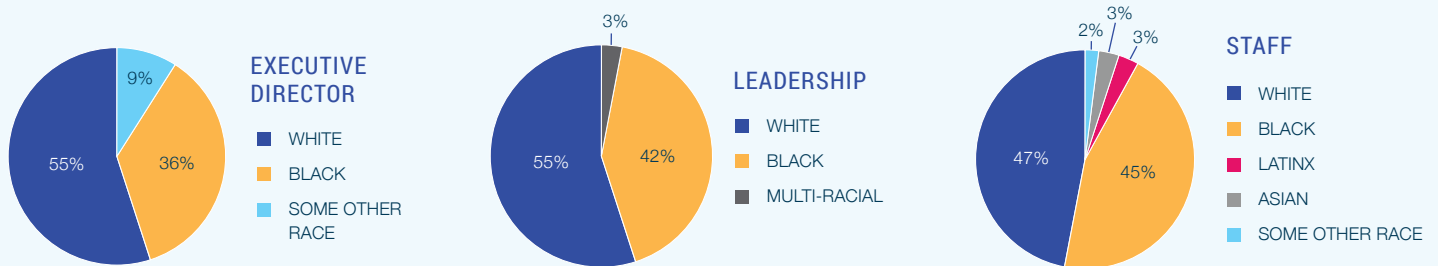
WORKFORCE AND COMPENSATION

BREAKDOWN OF STAFF, COMPENSATION, VOLUNTEERS, AND BOARD MEMBERS BY LARGEST SUBGROUP

TYPE OF ORGANIZATION	TOTAL STAFF	TOTAL STAFF COMPENSATION	MEDIAN STAFF COMPENSATION	TOTAL VOLUNTEERS	TOTAL BOARD MEMBERS
Addiction Services	413	\$9.7M	\$21,600	188	136
General Behavioral Health	858	\$39.4M	\$24,200	719	120
Residential Behavioral Health	1,294	\$32.1M	\$23,800	422	116
Community Behavioral Health	27	\$473,600	\$17,500	8	16
ALL BEHAVIORAL HEALTH ORGANIZATIONS	2,635	\$83.2M	\$23,400	1,427	429

DEMOGRAPHICS OF BEHAVIORAL HEALTH NONPROFIT EMPLOYEES

from the 2022 COVID-19 Nonprofit Recovery and Resiliency Survey



Compensation data is reported by organizations with annual revenues of \$200,000 or more and includes only full-time and year-round employees. Although low, Behavioral Health nonprofits are paying their staff and leadership about 8% higher than the median nonprofit wages in Cuyahoga County. Demographic data was not available from a significant enough number of Black and Brown-led organizations to disaggregate pay by race.

MEDIAN STAFF SALARY: \$23,400

MEDIAN SENIOR LEADERSHIP SALARY: \$103,600

Story of Resiliency

“As you can imagine, with mental health numbers exponentially rising, the number of those who care for someone living with mental illness are also exponentially rising. Our programs have grown by 161% in the first year of the pandemic. We focused on burnout prevention - we set an example for the caregivers we support and have needed to prioritize our health and well-being in order to provide better care to those we support (both personally and professionally).”

– Behavioral Health Nonprofit Organizational Leader, 2022



FINANCES

The global pandemic caused an increase in the need for Behavioral Health services overall, with greater effects to children and young adults specifically. Social distancing and isolation led to major mental health challenges, as did the economic and employment changes seen in many households. In Ohio, demand for behavioral health services rose 353%, while a shortage of workers caused a strain on behavioral health care access. For vulnerable communities, existing limitations stemming from the digital divide, mental health stigma, financial means, and access to insurance were exacerbated as a result of COVID-19.

OVERALL FINANCES BY ORGANIZATION TYPE

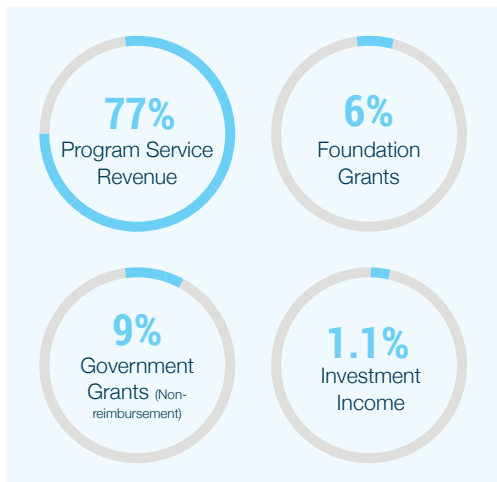
TYPE OF ORGANIZATION	TOTAL REVENUE	TOTAL EXPENSES	TOTAL ASSETS
Addiction Services	\$24.1M	\$17.8M	\$35M
General Behavioral Health	\$76.8M	\$62.5M	\$61.1M
Residential Behavioral Health	\$62.3M	\$54.3M	\$94.9M
Community Behavioral Health	\$2.8M	\$2.5M	\$3.2M
ALL BEHAVIORAL HEALTH ORGANIZATIONS	\$168.9M	\$139.5M	\$201.6M




REVENUES

Behavioral Health nonprofits play a significant role in the local economy, generating about \$169M in annual revenue. The largest subgroup of the industry by both revenue and staff size is residential behavioral health nonprofits. While a significant portion of reported Behavioral Health income comes from program service revenue, 9% of all funding comes from government grants which is about two times the average in Cuyahoga County. Addiction services and general behavioral health care nonprofits are receiving even more government grants funding (19% and 14%, respectively).

\$168.9M TOTAL REVENUE **\$487,000 MEDIAN REVENUE**

GOVERNMENT GRANTS BY SUBGROUP



TYPE OF ORGANIZATION	GOVERNMENT GRANTS	GOVERNMENT GRANTS AS % OF TOTAL REVENUE
Addiction Services	\$5M	19% 
General Behavioral Health	\$11M	14% 
Community Behavioral Health	\$240,000	8% 

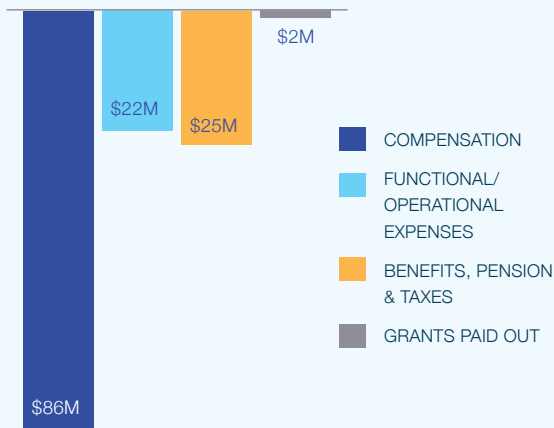
EXPENSES

Behavioral Health nonprofits on average have overall expenses nearly over 2X higher than other nonprofits in Cuyahoga County—reporting a median expenses per reporting organization of \$380,900, compared to the sector as a whole (\$154,000). A majority of their expenses are covering staff compensation and benefits.

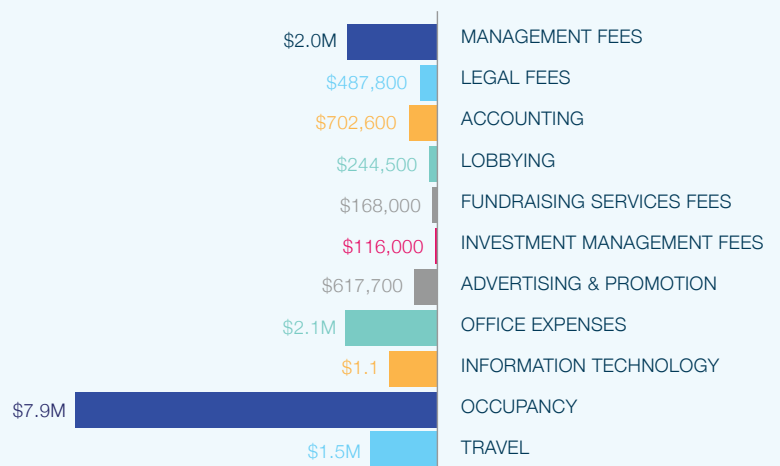
\$139.5M TOTAL EXPENSES

\$380,900 MEDIAN EXPENSES

TOP EXPENSE CATEGORIES



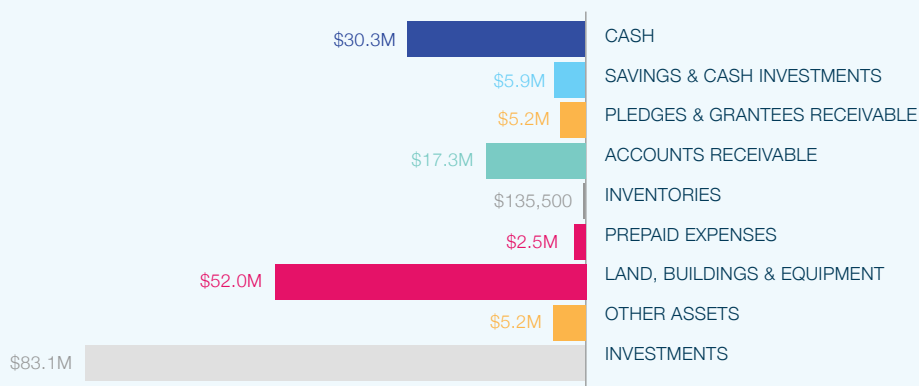
FUNCTIONAL / OPERATIONAL EXPENSE BREAKDOWN



ASSETS

Of the total \$51B in nonprofit assets locally, Behavioral Health organizations hold just a tiny fraction (0.4%)—mainly in unrestricted funds. Residential behavioral health nonprofits, hold a majority of those assets (\$95M), through mainly cash on hand, investments, and land, building, and equipment assets.

BREAKDOWN OF ASSETS



\$201.6M

TOTAL NET ASSETS

\$272,200

TEMPORARILY RESTRICTED ASSETS

\$11,300

PERMANENTLY RESTRICTED ASSETS

\$125.3M

UNRESTRICTED ASSETS

TOP 5 CAPACITY BUILDING NEEDS FOR BEHAVIORAL HEALTH NONPROFITS

2022	2023 AND BEYOND
 Fundraising and Grant Writing	 Fundraising and Grant Writing
 Staff Salaries	 Staff Salaries
 Facilities and Operations Costs	 Facilities and Operations Costs
 Information Technology	 Strategic Planning or Long-term Planning
 Strategic Planning or Long-term Planning	 Program Development

KEY FINDINGS:

- Larger Behavioral Health Organizations Spend More on Compensation, Less on Operations:** Large Behavioral Health nonprofits (with revenues over \$2M) spend 64% of all their expenditures on staff compensation, while only spending 14% on operational expenses. This is significantly different from other nonprofits locally, who typically spend 55% of their expenditures on compensation to staff and 25% on operational expenses. Smaller Behavioral Health organizations, however, spend much less of their budget on compensation (36%) and much more operational expenses (33%) than their larger counterparts in the industry.
- Large Disparities in Pay by Size of Behavioral Health Organizations:** There is a high wage disparity between executive directors of small- and medium-sized Behavioral Health nonprofits (\$85,000 annually) and large nonprofits (\$373,800 annually) who report financial data. In addition, staff in Behavioral Health nonprofits with revenues under \$2M are making nearly 15% less than staff in larger Behavioral Health nonprofits with revenues greater than \$2M. In comparing the differences between executive director pay and staff pay between larger and smaller organizations, the median salary of executive directors at larger organizations is 14X greater than the median salary for staff within those organizations, while the median salary of executive directors at smaller organizations is only 4X greater than the median salary for their staff.
- Disparities in Population Served among Local Behavioral Health Organizations:** Across Cuyahoga County's nonprofit sector, 43% of the population served is Black and 31% of those served are White. In Behavioral Health nonprofits, 50% of all individuals served are White, and only 41% are Black. This is reflective of barriers to behavioral health care that Black and Brown communities face nationally, suggesting the need for further exploration of the availability of behavioral health services for communities of color locally.
- Behavioral Health Services are Supported by Government Funds:** A majority (77%) of all Behavioral Health income comes from program service revenues (i.e. fees for service, reimbursements, etc), however, on average these organizations receive 9% of their revenue from additional government grants. Both general behavioral health organizations and addiction service nonprofits receive a greater proportion of government grants than others in the industry (\$11M and \$5M respectively). Government grants are nearly 20% of addiction service organizations' revenue, 5X that of most nonprofits in Cuyahoga County, which is indicative of the increased role of government in overdose prevention and the opioid settlement dollars in Ohio during the last few years.

This snapshot was developed as part of the Cuyahoga County Nonprofit Landscape Assessment, funded by the Funders Collaborative on Covid Recovery and available to the public. Visit sangfroidstrategy.com/cuyahoga for much more detail on Behavioral Health nonprofits and the sector as a whole!