



The Indianapolis Nonprofit Sector: Overview and Challenges

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June 2018

INDIANA NONPROFIT SURVEY: ROUND III

OVERVIEW Series #1
Report 1

INDIANA NONPROFITS PROJECT:
SCOPE & COMMUNITY DIMENSIONS

A JOINT PRODUCT OF
The Lilly Family School of Philanthropy
AND
The School of Public and Environmental Affairs
Indiana University Bloomington



ACKNOWLEDGMENTS

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The survey instrument is based closely on two previous rounds of surveys on Indiana nonprofits completed as part of the overall project. We are grateful to Rachel Breck, Angela Gallagher, Maxine Laszlo, Rachel Miller, Tessa Skidmore, Annie Thompson and Lauren Shaman for their initial work to review and pretest the revised instrument. We are also grateful for much valuable feedback on the instrument from nonprofits who completed the pretests and faculty members at the School of Public and Environmental Affairs: Matt Baggetta, Brad Fulton, Al Lyons, and Beth Gazley. We also acknowledge the work of many research assistants who have worked on the project: Tyler Abbott, Emily Anderson, Elizabeth Barnhart, Eric Brown, Matt Cesnik, Haley Clements, Anthony Colombo, Lauren Dula, Sarah Dyer, Payton Goodman, Molly Gravier, Sher Khashimov, Corinne Lucas, Kellie McGiverin-Bohan, Cara Murray, Kelsey Stack, Katherine Stewart, Meghan Taylor, and Jasper Wirtshafter in carrying out a variety of tasks related to preparing for and following up on the survey.

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INTRODUCTION

This report on the **Indianapolis Nonprofit Sector: Overview and Challenges** is based on a major survey of Indiana nonprofits conducted by the Indiana Nonprofits Project in 2017. Two previous rounds of surveys were conducted in 2002 (Round I), and 2007 and 2010 (Round II). The current report is the first based on this most recent Round III survey of Indiana Nonprofits and is designed to provide a basic overview of the Indianapolis nonprofit sector.

Indiana Nonprofits Project

The **Indiana Nonprofits Project: Scope and Community Dimensions** began in June 2000 and has produced a substantial body of research since then. The project is designed to provide information about the nonprofit sector in Indiana: its composition and structure, its contributions to Indiana, the challenges it faces, and how these features vary across Indiana communities. The goal of this collaborative research effort is to help community leaders develop effective and collaborative solutions to community needs and to inform public policy decisions.

The project is directed by [Kirsten Grønbjerg](#), Efroymsen Chair in Philanthropy at the [Lilly Family School of Philanthropy](#) (LFSOP) and Professor, [School of Public and Environmental Affairs](#) (SPEA), Indiana University Bloomington. Under the guidance of Project's distinguished [Advisory Board](#),¹ the Project has produced a variety of materials to inform policymakers, nonprofit administrators and boards, and Indiana residents, including:

- [Surveyed](#) Indiana nonprofits to learn how they operate, how they contribute to the state's economy and its quality of life, and how they face and overcome challenges.
- [Examined](#) trends in paid nonprofit employment in Indiana including the size, composition and distribution of employees.
- [Analyzed](#) how local government officials view important nonprofit-related policy issues. Our findings demonstrated changes in whether local leaders trust nonprofits to operate effectively and they revealed shortcomings in the use of the state's 2-1-1 system.
- [Described](#) the impact, scope, and composition of nonprofits on specific Indiana communities and regions the scope and composition of the nonprofit sector in communities across the state.

For a full description of the Project and access to all Project reports, please visit <https://nonprofit.indiana.edu>. A summary of project components is included in Appendix C.

Indiana Nonprofits Survey – Round III

The Indiana Nonprofits Project surveyed 1,036 nonprofits in Indiana from April 2017 to February 2018, reflecting an overall response rate of approximately 24 percent. Of these,

¹ See <https://nonprofit.indiana.edu/AboutTAB/index.html>

397 nonprofits were part of a “panel” of nonprofits that responded to our 2002 Round I survey and 639 came from a new randomly selected “primary” sample developed specifically for this survey (see Appendix A for a description of the sampling strategies).

For the “primary” sample, respondents were randomly selected from three major nonprofit listings: nonprofits (1) registered with the IRS as tax exempt entities with Indiana reporting addresses, (2) incorporated with the Indiana Secretary of State as non-for-profit corporations, or (3) or listed in the yellow pages as churches, temples, synagogues, mosques or similar religious entities. The original “panel” sample was created under a similar, but more extensive protocol.

Respondents to the 2017 survey represent almost the full scope of Indiana nonprofits. They include traditional public charities, such as homeless shelters, museums, or cancer groups. But they include also other types of tax exempt entities registered under all other section 501(c) of the IRS tax code, such as private foundations, fraternal organizations, social clubs, business groups and advocacy organizations. And they include organizations not registered at all with the IRS, whether because they are churches, exempt from registration, or for other reasons are not found on the IRS listing. However, we excluded colleges, hospitals, bank-managed trusts, and public school building corporations because the survey instrument was not well-suited to these types of entities and they had also had very low response rates to the 2002 survey.

Our survey asked about a variety of topics: programs and services, organizational structure and program evaluation, human resources, marketing and technology, financial information, advocacy and policy activities, and relationships with other organizations. There were also questions specific to membership associations and faith-based organizations.

Because of the richness of the survey data, we are tentatively planning to produce three series of reports: Series 1, including this report, will provide an overview of the Indiana nonprofit sector, Series 2 will examine particular types of nonprofits, such as arts and culture nonprofits, faith-based organizations, and membership associations. Series 3 will examine the activities and experiences of Indiana nonprofits on such topics as information technology, program evaluation, advocacy and political activities, human resource management, and a range of other topics.

EXECUTIVE SUMMARY

Some 263 nonprofits, about a quarter of all respondents to the 2017 survey, are located in the eleven county Indianapolis metropolitan area,² reflecting a response rate of 27 percent. They serve as the basis for this report on the ***Indianapolis Nonprofit Sector: Overview and Challenges***, which was produced at the request of the *Indianapolis Public Library* to inform its efforts to design training programs and resources for Indianapolis nonprofits.

Program and Planning Activities

Like nonprofits in the full survey, those located in the Indianapolis metropolitan area represent the full scope of nonprofits in the region and engage in a broad array of activities.

Types of Programs. Respondents could identify up to three major areas of activities, but we also classified them in terms of their primary purpose under the National Taxonomy of Exempt Entities (NTEE).

- ***Self-reported activities:*** About a quarter say religion is one of their primary activities, followed by education, and human services.
- ***Primary purpose:*** The most prevalent primary purpose was religion and human services (about a quarter each of all respondents).

Demands for Services. Almost half reported that demand for services has increased over the last 36 months. Very few said demand had decreased.

Impact of Policy Changes. Respondents were asked to indicate the impact of eight government policies over the last 36 months on their ability to fulfill their mission.

- Two-thirds or more said that changes in these policies had no impact.
- The largest negative impact was for health insurance requirements and changes in personnel/legal regulations and employment law (about one-fifth each).

Program evaluation and marketing challenges. We asked whether respondents evaluated their programs and what challenges they encountered related to program and planning as well as marketing activities. Questions about challenges were scored on a scale of 1 (not a challenge) to 4 (a major challenge)

- ***Program evaluation:*** Two-thirds say they have evaluated at least some of their programs.
- ***Program and planning challenges:*** Challenges associated with evaluating and assessing programs were moderate and about at the same level as for developing and delivering high quality programs and services.

² Boone, Brown, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Morgan, Putnam, and Shelby counties.

- **Marketing challenges** were slightly higher across the board, including attracting new members/clients, enhancing the visibility/reputation of the organization, identifying the best tools/mediums for reaching various constituency groups, and creating effective marketing materials.

Governance and Human Resources

We asked about the boards, volunteers and paid employees of responding nonprofits.

Boards: Almost all Indianapolis nonprofits have their own boards. The rest have other governance structures or no board at all.

- **Board resources:** Of those with boards, two-thirds have descriptions of the board role or position, but only half have a board orientation process and even fewer have written board manuals, written personnel policies for board members, or board training/development opportunities.
- **Board challenges:** On average, recruiting and retaining qualified board members were considered about as challenging as identifying qualified board members, both notably higher than assessing board performance or managing/improving board/staff relations.

Volunteers. The great majority (88 percent) have at least 1 volunteer other than board members, although half of those with volunteers have 30 or less.

- **Reliance on volunteers:** Of those with volunteers other than board members, three-quarters say volunteers are essential or very important.
- **Volunteer resources:** Of those with volunteers, about half have volunteer position/work descriptions, followed by having a volunteer orientation process. Only a third have a designated volunteer coordinator, a quarter have training/development opportunities beyond orientation or written instruction manuals, and only one in ten have written personnel policies for volunteers.
- **Volunteer challenges:** On average, recruiting and retaining qualified volunteers scored slightly higher as a challenge than assessing and managing volunteer performance.

Employees. About two-fifths reported having no employees. Of those with employees, the median is 22 full-time equivalent (FTE) staff members.

- **Staff resources:** Of those with paid staff, the great majority have position/job descriptions; about two-thirds have training/developing opportunities beyond orientation, written personnel policies, or a staff orientation process, followed by written instruction manuals.
- **Staff challenges:** On average, respondents reported more challenges with providing adequate compensation/benefits than with recruiting and retaining qualified employees or assessing and managing employee performance.

Finances

We asked about changes in financial conditions, sources of revenues, and challenges related to securing and managing finances.

- Changes in overall finances: More Indianapolis nonprofits reported increased expenses than increased revenues and more than twice as many report decreased revenues as decreased expenses, suggesting that higher proportions are operating at or below the margin.
- Sources of revenue: Three-fourth of Indianapolis nonprofits have donations from individuals; about a third have various forms of corporate support, private fees or service charges, or grants from foundations; about a fifth have trusts or bequests from individuals or from donor designated funds; relative few have government funding.
- Funding profile: Almost two-fifths receive half or more of their funding from private donations, about a quarter have a similar dependence on private fees and sales, less than one in ten get most of their funding from special events and only one in twenty mainly depend on government sources. The rest has a mix of funding.
- Financial challenges: We asked about challenges related to 10 financial activities. All seven activities with the highest challenge scores relate to securing funding; more internal financial functions scored notably lower.

Organization Components and Management

Our survey asked whether nonprofits had key organizational components in place and how challenging they found three basic types of management activities.

- Organizational components: Almost all have written governance policies or by-laws or written minutes of board meetings. About three-quarters or more have basic transparency features, such as an organizational website or a recent annual report with financial information. Half or more have other written policies or procedures or a recent audited financial statement. Only a third have more specific written policies on such topics as document retention, dissolution, and whistleblowers.
- Management challenges: Indianapolis nonprofits reported only moderate challenges related to creating and implementing a strategic plan, and notably lower challenges managing facilities or space or performing routine administrative tasks.

Information Technology

Our survey asked how often nonprofits use each of eleven major information technology (IT) tools and how challenging they found six IT-related activities.

- IT resource tools: Three-quarters or more at least occasionally use Facebook accounts, internet searches using standard search engines, routine data backups, IT security, or electronic financial records; about two thirds use electronic client/member/program

records or receipt of online donations or online sales frequently. Uses of other IT resources, such as other social media or donor database or constituent relationships management software are used notably less frequently.

- IT-related challenges: Indianapolis nonprofits reported the most challenges with creating and maintaining engaging, up-to-date websites, followed by various challenges related to identifying and using software. They reported fewest challenges in getting decision-makers or funders to understand the importance of getting good technology.

Collaborations and Affiliations

About half of Indianapolis nonprofits are involved in formal networks and about a quarter in formal collaborations. About a quarter are local affiliates of other organizations.

Advocacy and Public Education Activities

We asked whether respondents were involved in advocacy or public education activities, and if so, how much effort they devoted to it and what challenges they encountered.

- Extent of advocacy/public education: About half of Indianapolis nonprofits reported engaging in advocacy and/or public education activities. About half of those that do, allocate no or only very little staff time or volunteer effort to such activities; about two-thirds allocate no or very little financial resources to these efforts.
- Advocacy challenges: Respondents reported more challenges with finding volunteers or staff with the right skills or capacities to take on advocacy leadership roles, obtaining funding for these activities, or gaining access to key policy makers than in overcoming legal limitations on nonprofit advocacy activities and developing internal agreement on whether and how to engage in advocacy activities.

Special Focus Nonprofits

About half of nonprofits in the Indianapolis metropolitan area are membership associations. About a third are faith-based organizations, including both congregations and religious charities or other faith-based organizations.

KEY FINDINGS

A number of key findings stand out from our analysis of the Indianapolis nonprofit sector:

- 1. A diverse nonprofit sector, engaging in a wide variety of programs and activities.** Indianapolis nonprofits are engaged in a wide variety of programs and activities, often spanning multiple fields. Although most are incorporated with the Indiana Secretary of State (81 percent) or registered with the IRS as tax-exempt entities (78 percent), some are not.
- 2. Increased demand for services, but expenses are outpacing revenues.** About half of Indianapolis nonprofits say that demands for their services have increased over the last 36 months and very few say demands have decreased. However, over the same period of time, one quarter say their revenues have decreased, but expenses declined for only 11 percent. And while half say their revenues have increased, even more say that their expenses have increased. When asked about financial challenges, activities related to securing revenues have higher challenge scores than those related to managing costs or existing resources.
- 3. High reliance on volunteers.** About two-fifths of Indianapolis nonprofits have no paid staff members. Almost all use volunteers (other than board members), and of those that do, three quarters say volunteers are essential or very important to their organization.
- 4. More resources in place for paid staff than board members or volunteers.** The majority of Indianapolis nonprofits with paid staff have key components in place for them, such as position descriptions, training opportunities, written policies, and orientation process. The corresponding percentages having similar resources for board members or volunteers are notably lower.
- 5. Some key organizational components in place, but not across the board.** Although almost all Indianapolis nonprofits have written by-laws or board minutes, or maintain websites or use Facebook, significant proportions have no recent annual report with financial information, no written conflict of interest policy, or rarely engage in routine data backup, or keep electronic financial resources.
- 6. Financial and marketing activities present the most challenges.** When asked about challenges related to a wide range of activities (39 in all), nine of the top twelve relate to financial and marketing challenges. Challenges related to information technology appear more in the middle.
- 7. Changes in government policies have relatively little impact, but many are engaged in at least some advocacy or public education.** Most Indianapolis nonprofits say changes in government policies have had no or very little impact on their ability to carry out their mission. However, half say they are engaged in advocacy or public education, but of these, less than five percent devote most of their staff or volunteer time or financial resources to these efforts.

DETAILED FINDINGS

This report uses data from the 2017 Indiana Nonprofits Survey to describe what nonprofits in the Indianapolis metropolitan area look like and what challenges they are facing. It was produced at the request of the Indianapolis Public Library for the purpose of designing training programs and resources for nonprofits based on their current needs. Some 263 nonprofits, or about a quarter of respondents to the 2017 survey, are located in the eleven county Indianapolis metropolitan area.³ They serve as the basis for this report (response rate of 27 percent). We include respondents to both the “primary” and “panel” sample in the analysis, but caution that the latter tend to be older and more institutionalized.⁴ Where relevant, we note any significant differences between the two groups.

Like nonprofits in the full survey, those located in the Indianapolis metropolitan area represent the full scope of nonprofits in the region and engage in a broad array of activities. In terms of legal structure, the great majority (81 percent) of the 263 are not-for-profit corporations listed with the Indiana Secretary of State (SOS), and almost as many (78 percent) are registered with the IRS. However, only 60 percent of the 263 nonprofits are both SOS incorporated and IRS registered. Of those registered with the IRS, more than two-thirds (69 percent) are charities registered under Section 501(c)(3) of the U.S. revenue code, compared to 78 percent at the national level.⁵

In the rest of this report, we examine the Indianapolis Nonprofit Sector under eight topics: program and planning activities, governance and human resources, finances, organizational components, technology, collaborations, advocacy, and special organizations. Where possible, we will not only describe the characteristics of nonprofits in the Indianapolis region on major dimensions related to these topics, but relevant challenges they are facing. The analysis of challenges is based on questions where respondents were asked to indicate whether a particular activity is (1) not a challenge, (2) a minor challenge, (3) somewhat of a challenge or (4) a major challenge. For each activity, we exclude respondents who do not do the activity, and then calculate the average of responses. Lower averages indicate that the activity is less of a challenge, and higher averages indicate that the activity is more of a challenge.

³ Boone, Brown, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Morgan, Putnam, and Shelby counties.

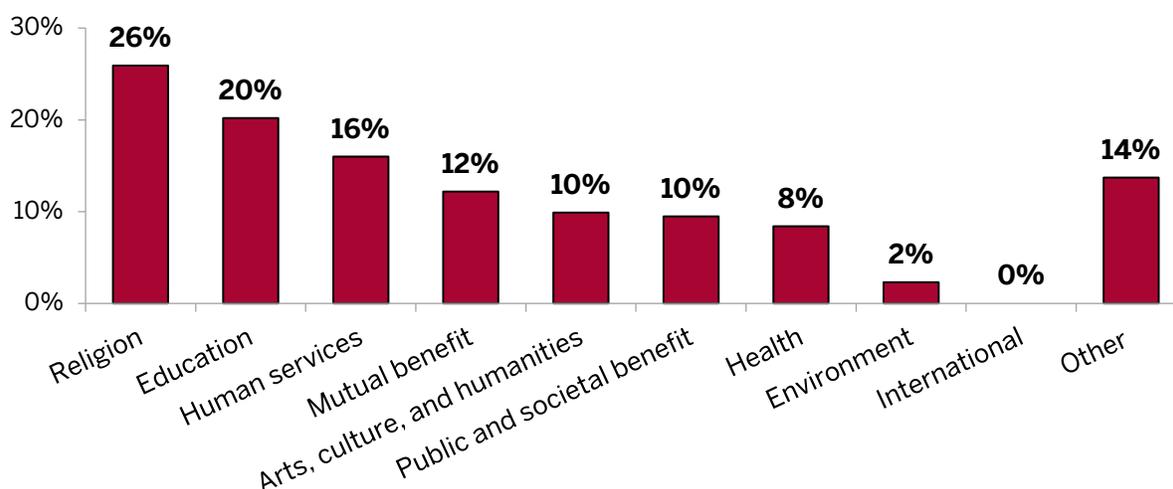
⁴ Of the 263 Indianapolis respondents, 71 organizations are in our “panel” sample, and 192 are in our “primary” sample.

⁵ See Table 25 in Internal Revenue Service, 2017 Data Book (<https://www.irs.gov/pub/irs-soi/17databk.pdf>)

Program and Planning Activities

Types of Programs. Our survey asked respondents to select up to three classifications from the National Taxonomy of Exempt Entities (NTEE) Codes that best describe their primary purpose or mission. They identified a wide variety of programs, services, and activities and 19 percent selected multiple codes. As Figure 1 shows, religion was the most commonly-selected activity, followed by education, human services, mutual benefit, arts, culture, and humanities, public and societal benefit, health, environment, and international (none of the respondents selected international) (Figure 1). Over a tenth (14 percent) selected other, although most of the descriptions that they provided would fit into one or more of the other categories.

Figure 1: Self-reported NTEE code (n=263). Note: includes up to three codes per respondent



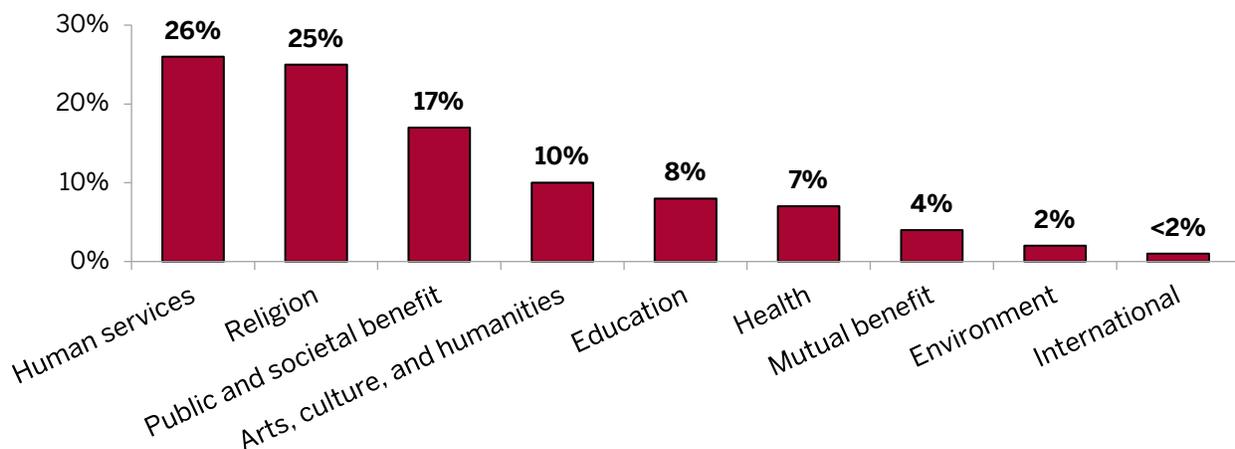
Our research team also coded each respondent into one primary NTEE code using the same classifications listed above. Unlike the self-reported NTEE codes, these codes are mutually exclusive so that each organization has only one code, reflecting its primary purpose or activities. We based these codes on coding instructions for the NTEE system,⁶ along with a review of the organization’s mission statement or description of purpose in the IRS-registration system, its articles of incorporation, or its website. We also considered its name (e.g., church, or “theatre”) and consulted NTEE codes assigned in the IRS registration system. In some cases, our classification is different from how respondents coded themselves.

As Figure 2 shows, about a quarter of the respondents have some type of human services as their primary type of activity, including youth development, recreation, employment, food and housing. Another quarter were religious organizations, primarily churches. Public

⁶ For a description of the NTEE system, see <http://nccs.urban.org/classification/national-taxonomy-exempt-entities> (retrieved 5/23/2018).

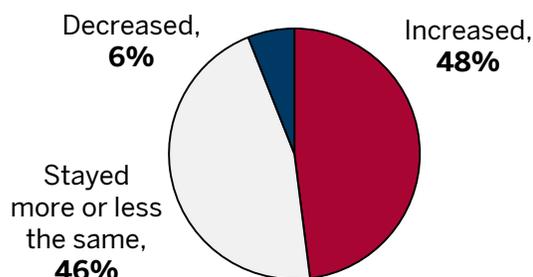
and societal benefit groups (17 percent) includes advocacy, community improvement, economic development, foundations, United Way, etc. The remaining categories each accounted for no more than 10 percent of the total. The different patterns shown in Figures 1 and Figure 2 reflects whether respondents selected more than one field of activity and differences between the self-coding by respondents and how we applied the codes.

Figure 2: Team-coded NTEE code (n=263)



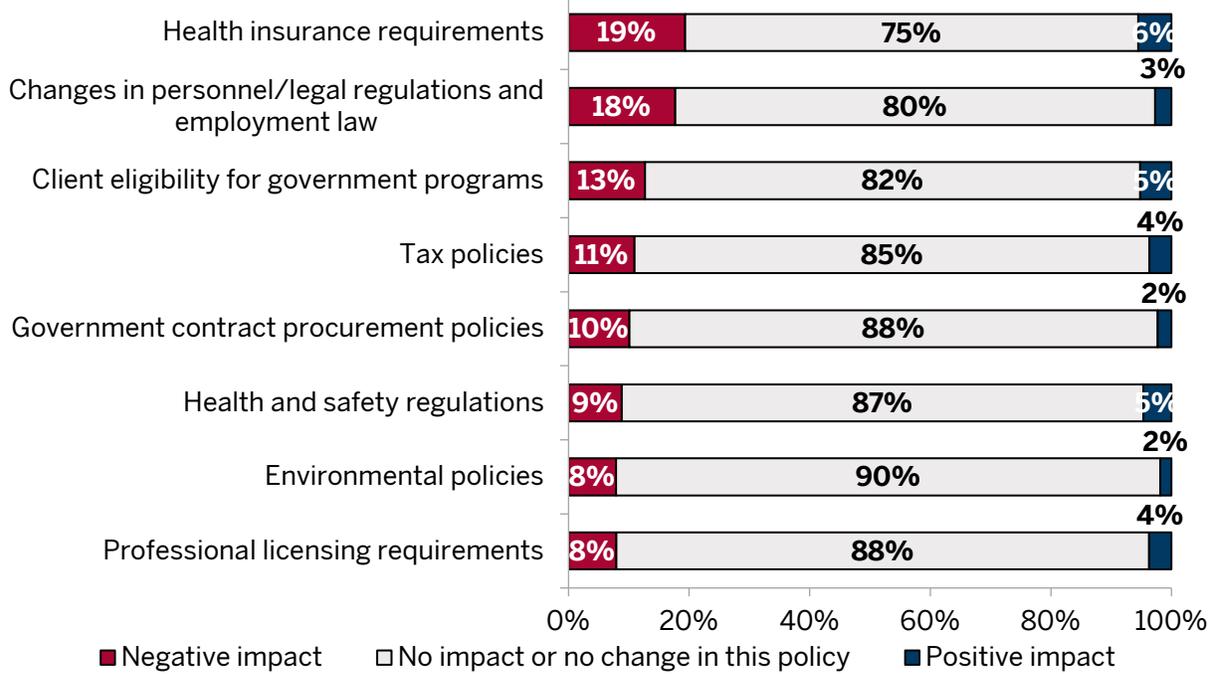
Demand for Services. Demand for these services is high. Almost half (48 percent) of the respondents reported that demand has increased over the past 36 months, although almost as many (46 percent) reported that demand stayed more or less the same. Very few (6 percent) reported that demand decreased (Figure 3).

Figure 3: Change in demand for programs, services, or activities (n=235)



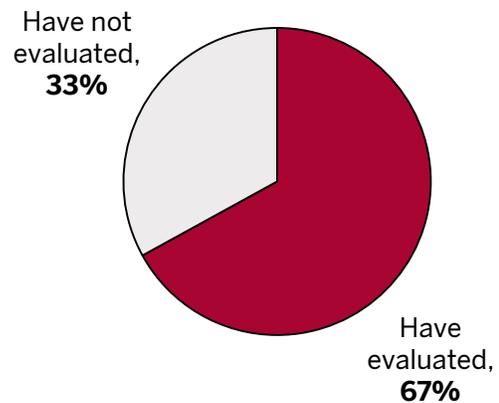
Impact of Policy Changes. With demand increasing for almost half of the respondents, we wondered how changing public policies impact nonprofits' ability to fulfill their mission. Our survey asked about the impact of changes to eight government policies over the past 36 months. The great majority (75 percent or more) reported that changes in these policies either had no impact on their ability to fulfill their mission or had not changed. The largest negative impact was reported for health insurance requirements (Affordable Care Act, 19 percent) and changes in personnel/legal regulations and employment law (18 percent), followed by client eligibility for government programs (13 percent), tax policies (11 percent), government contract procurement policies (10 percent), health and safety regulations (9 percent), environmental policies (8 percent), and professional licensing requirements (8 percent) (Figure 4). Some of these policies were also seen as having a positive impact but only by 6 percent or less of respondents.

Figure 4: Impact of policies on ability to fulfill mission (n=217)



Program Evaluation. We also wanted to know whether nonprofits evaluated their programs, since this is something that many funders increasingly expect. Our survey asked whether respondents’ organizations had evaluated any of their programs during the past 36 months, with program evaluation defined as “to systematically assess the processes and/or outcomes of a program in order to further develop or improve it.” The majority (67 percent) of respondents reported that their organizations had evaluated at least some of their programs (Figure 5).

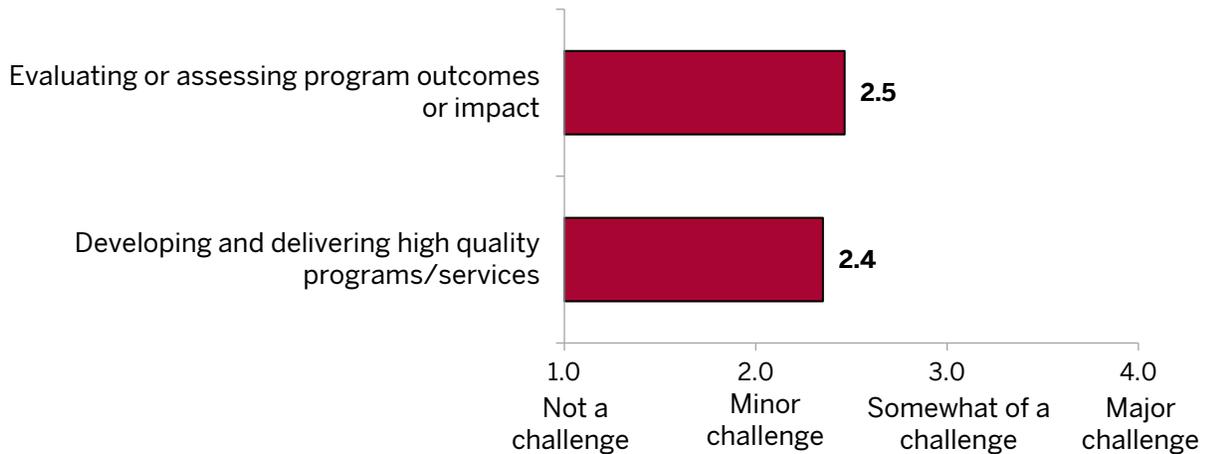
Figure 5: Program Evaluation (n=232)



Program and Marketing Challenges. Lastly, we wanted to know what kinds of challenges nonprofits are facing related to program and planning activities and marketing their programs and services. Our survey asked about challenges related to two program and planning activities: evaluating or assessing program outcomes or impact, and developing and delivering high quality programs/services. As noted earlier, respondents were asked to indicate whether a particular activity was a major (4) challenge, somewhat of a challenge (3), a minor challenge (2), or not a challenge (1).

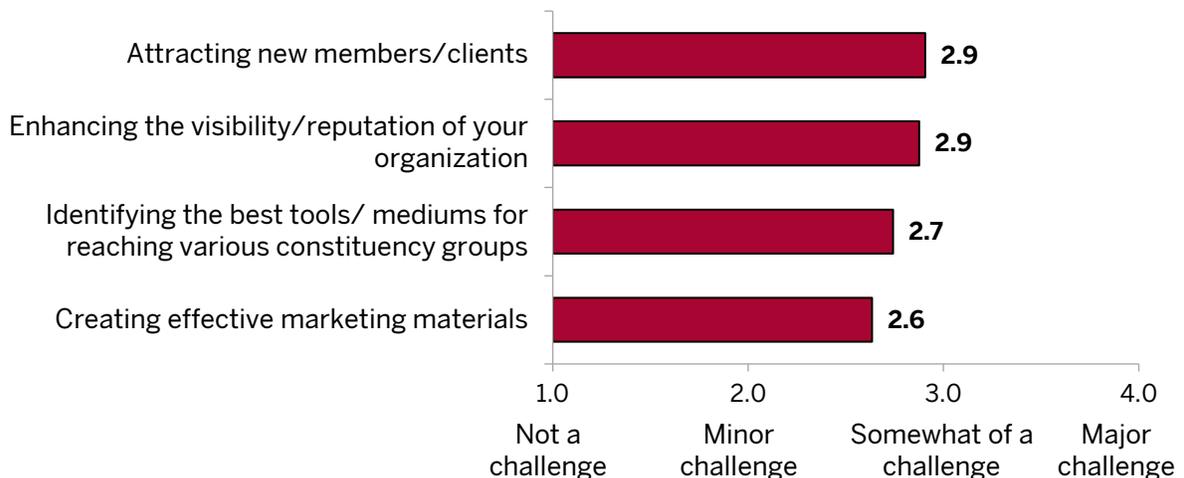
On average, respondents reported about the same level of challenges with evaluating or assessing program outcomes or impact as with developing and delivering high quality programs/services (respectively 2.5 and 2.4 out of 4) (Figure 6). Both averages are intermediary between “a minor challenge” and “somewhat of a challenge.”

Figure 6: Extent to which program and planning activities are a challenge (n=~218)



We also asked about challenges related to four marketing activities—attracting new members/clients, enhancing the visibility/reputation of the organization, identifying the best tools/mediums for reaching various constituency groups (e.g., mailings, press releases, social media, etc.), and creating effective marketing materials. Respondents reported the most challenges with attracting new members/clients and enhancing the visibility and reputation of their organization (both 2.9 out of 4), or “somewhat of a challenge” on average) and the least challenges with creating effective marketing materials (2.6 out of 4) (Figure 7).

Figure 7: Extent to which marketing activities are a challenge (n=~203)



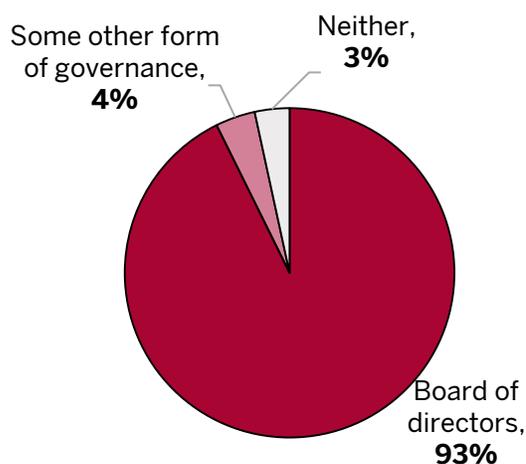
Governance and Human Resources

We turn now to a look at who is implementing these programs, services, and activities – the boards, volunteers, and employees of these nonprofits.

Boards

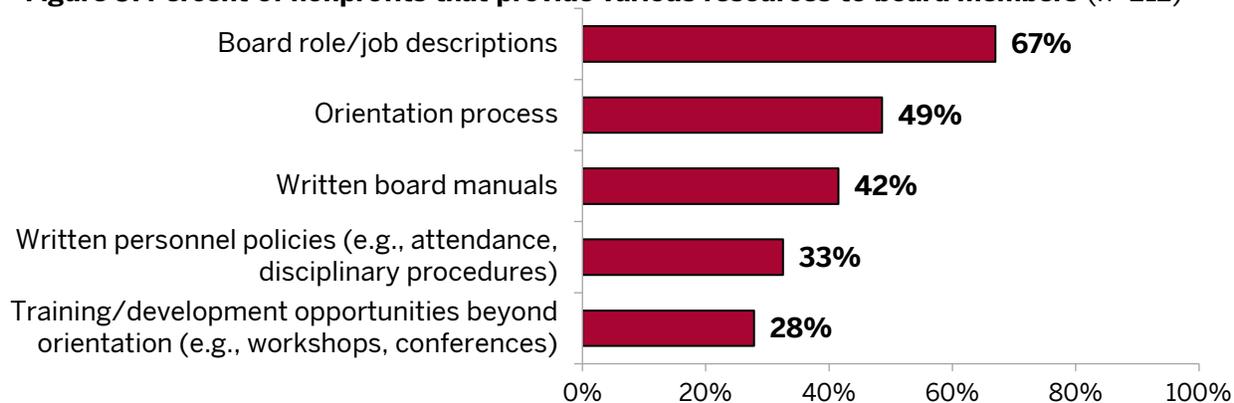
We start by looking at how Indianapolis area nonprofits are governed. The great majority (93 percent) have a board of directors, while few (4 percent) have some other form of governance or no board at all (3 percent) (Figure 8). Those who reported having some other form of governance listed “club officers;” “congregational structure;” “district commanders;” “elders;” “member managed;” “rotating leadership with committee members,” “vestry;” “voting members;” and “elected line officers and trustees.” Organizations with boards reported an average of 12 board members, with some having over 100, and an average of 1 board vacancy, ranging from 0 to 11.

Figure 8: Governance type (n=233)



Board Member Resources. For nonprofits with boards, we asked whether the organization provided any of five resources to their board members to support them in board-related activities. The most frequently provided resource was board role/job descriptions, which 67 percent of the respondents say they have, but by the same token, one-third do not. Less than half (49 percent) reported providing orientation processes or written board manuals (42 percent). Only 33 percent had written personnel policies for their boards, and training/development opportunities beyond orientation was available for only 28 percent (Figure 9).⁷

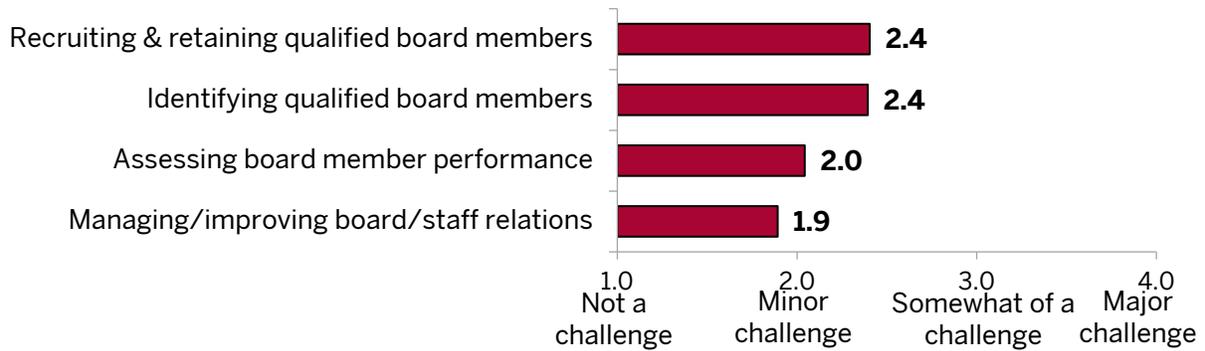
Figure 9: Percent of nonprofits that provide various resources to board members (n=212)



⁷ Organizations in the “panel” sample were significantly more likely than those in the “primary” sample to provide board members with orientation processes, written board manuals, and written personnel policies.

Board Challenges. Our survey asked about challenges related to four board management activities, but only for those with boards. Respondents reported the most challenges with recruiting and retaining qualified board members and identifying qualified board members (both 2.4 out of 4) and the least challenges with managing/improving board/staff relations (1.9 out of 4) (Figure 10).

Figure 10: Extent to which board management activities are a challenge (n=~200)

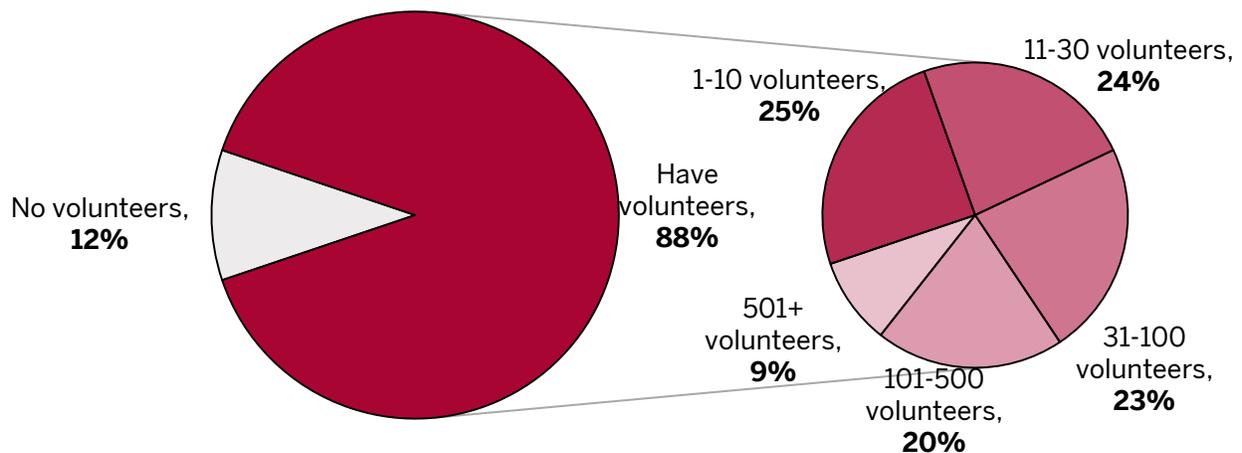


Volunteers

Although board members are volunteers, we also asked whether respondents used volunteers in other ways, and if so, how important they are to the organization.

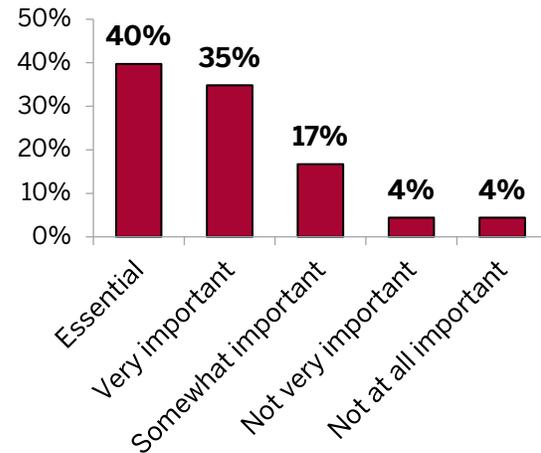
Number of Volunteers. The great majority (88 percent) have at least 1 volunteer other than board members, but most have relatively few (Figure 11). Of those with volunteers, one quarter have 10 or fewer and about half have 30 or fewer. Although some report several thousand volunteers, only 9 percent have more than 500.

Figure 11: Percent of nonprofits that have volunteers (n=221)



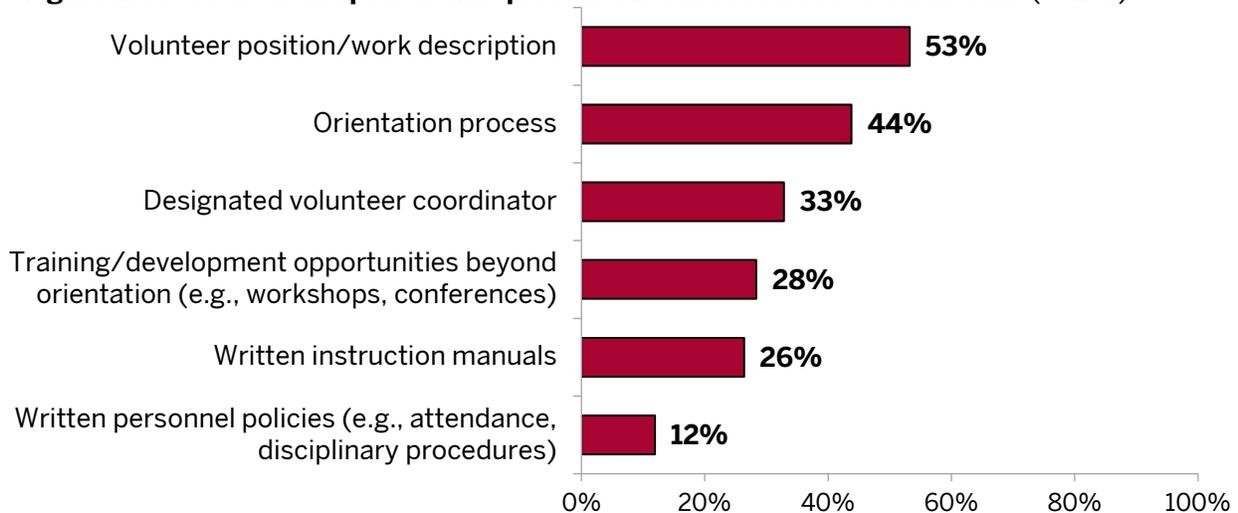
Importance of Volunteers. When asked how important volunteers are to the organization for those with volunteers, three-quarters reported that volunteers are essential—i.e., they depend entirely on volunteers to carry out their mission (40 percent)—or very important—i.e., they depend on volunteers for a wide range of tasks, but not all (35 percent). Under a fifth (17 percent) reported that volunteers are somewhat important—i.e., they depend on volunteers for several key tasks—and few reported that volunteers are not very important—i.e. they depend on volunteers for only non-essential tasks (4 percent)—or not at all important—i.e., they could carry out our mission without using volunteers (4 percent) (Figure 12). None reported that volunteers are detrimental—i.e., volunteers make it more difficult to carry out their mission.⁸

Figure 12: Importance of volunteers (n=204)



Volunteer Resources. We asked whether respondents provide any of six resources to support their volunteers: Over half (53 percent) of nonprofits with volunteers provide volunteer position/work descriptions, while less than half (44 percent) provide orientation processes for their volunteers. Only 33 percent said they have designated volunteer coordinators, slightly more than a quarter provide training/development opportunities beyond orientation (28 percent) or written instruction manuals (26 percent) for their volunteers. Only 12 percent have written personnel policies for volunteers (Figure 13).

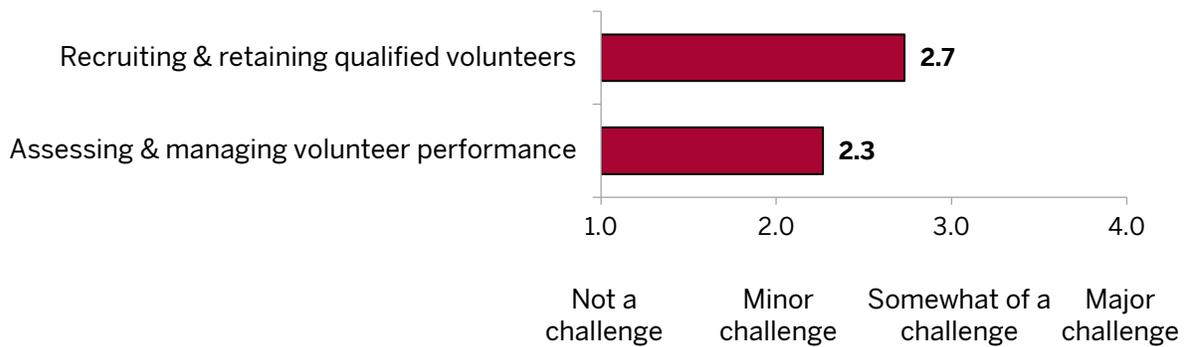
Figure 13: Percent of nonprofits that provide various resources to volunteers (n=201)



⁸ Organizations in the “panel” sample were significantly less likely to say that volunteers are essential than those in the “primary” sample, but significantly more likely to say volunteers are very important.

Volunteer Challenges. Finally, we look at challenges related to volunteer management activities: recruiting and retaining qualified volunteers, and assessing and managing volunteer performance. Respondents reported more challenges with recruiting and retaining qualified volunteers (2.7 out of 4) than with assessing and managing volunteer performance (2.3 out of 4) (Figure 14).

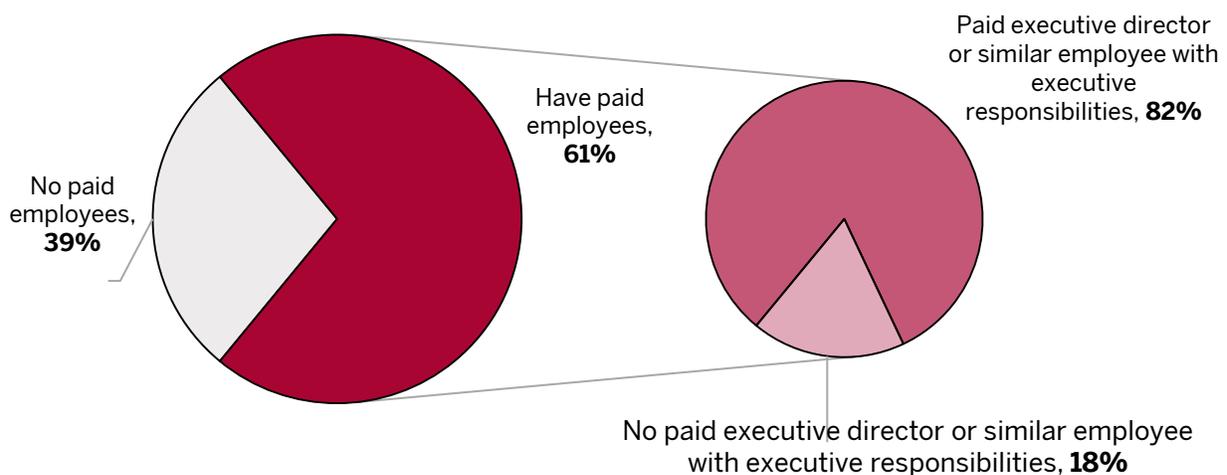
Figure 14: Extent to which volunteer management activities are a challenge (n=~184)



Employees

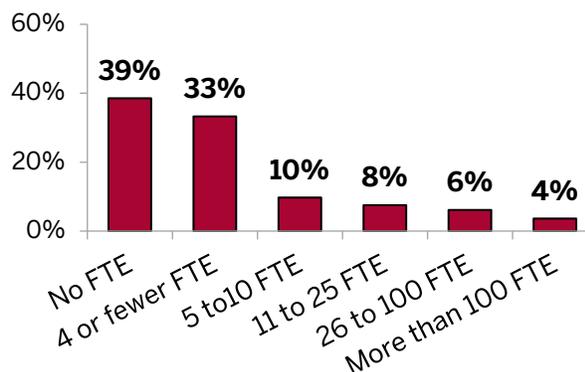
Number of Employees. Only 61 percent of nonprofits in the Indianapolis region said they have any paid employees, indicating that the rest depend entirely on board members and other volunteers to carry out all activities. The majority (67 percent) of nonprofits without paid employees said that volunteers are essential, compared to only a quarter of nonprofits that have paid employees. Of those with a paid employee, the majority (82 percent) have a paid executive director or similar employee with executive responsibilities (Figure 15).

Figure 15: Percent of nonprofits that have paid employees (n=226)



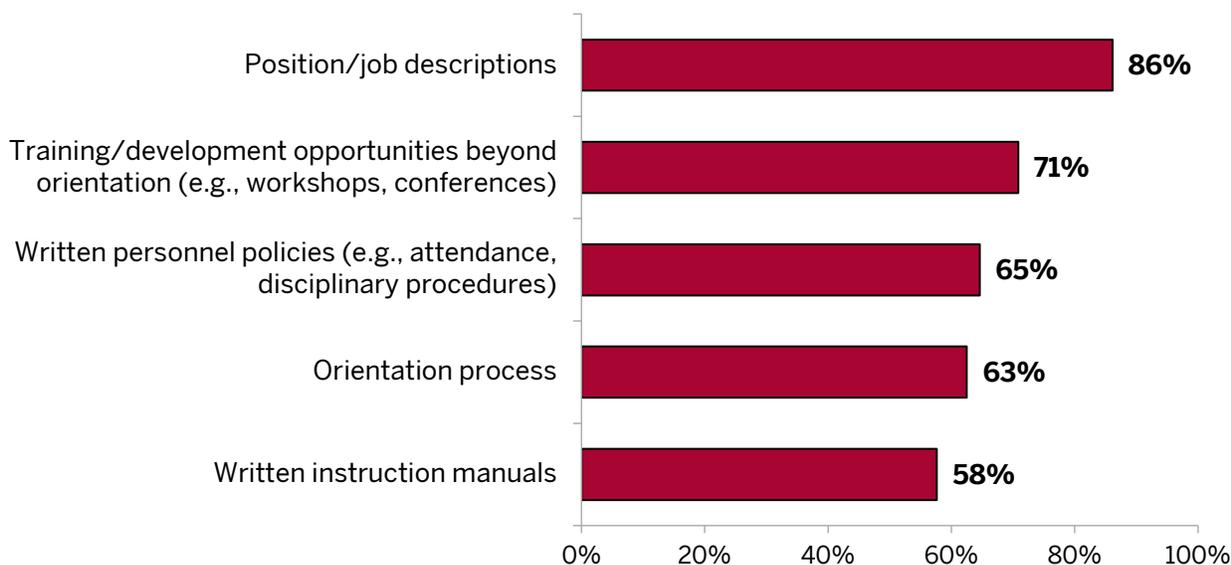
We also asked how many full-time and part-time paid employees they had. We then computed the number of full-time equivalent (FTE) paid staff by counting part-time employees as one-half a full-time employee. As Figure 16 shows, 33 percent have four or fewer paid FTE staff members and about half have 25 or fewer FTE (Figure 16). Of those with paid staff, the median is 22.

Figure 16: Number of FTE paid staff
(n=226)



Staff Resources. As in the case of board members and volunteers, we asked whether nonprofits provided any of five resources to their paid staff. The great majority provide position/job descriptions (86 percent), and training/development opportunities beyond orientation (71 percent). About two-thirds have written personnel policies (65 percent) and orientation processes (63 percent), and more than half (58 percent) have written instruction manuals (Figure 17). These are all notably higher percentages than reported providing similar resources to their board members or volunteers (other than board members).⁹ Over half of nonprofits with employees reported providing all of these resources, but 9 percent provided none of them.

Figure 17: Percent of nonprofits that provide various resources to employees (n=144)

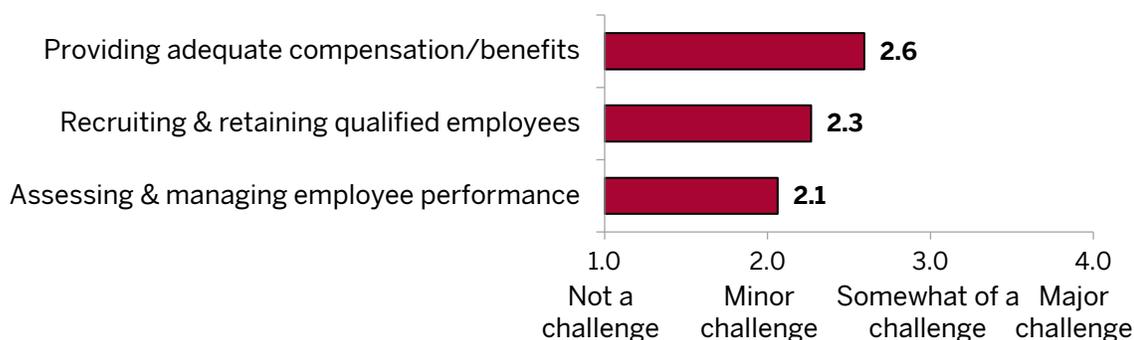


Employee Challenges. Our survey asked about challenges related to three employee management activities: providing adequate compensation/benefits, recruiting and

⁹ Organizations in the “panel” sample were significantly more likely than those in the “primary” sample to provide employees with written personnel policies.

retaining qualified employees, and assessing and managing employee performance. Respondents reported the most challenges with providing adequate compensation/benefits (2.6 out of 4), followed by recruiting and retaining qualified staff (2.3 out of 4) and the least challenges with assessing and managing employee performance (2.1 out of 4) (Figure 18).

Figure 18: Extent to which employee management activities are a challenge (n=~131)

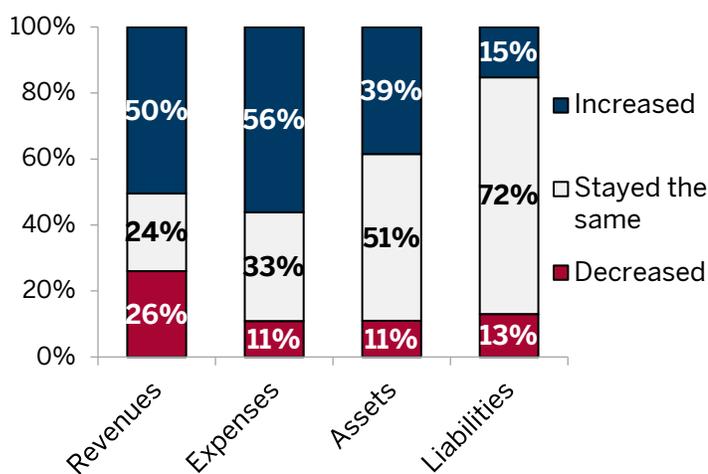


Finances

It is not enough for nonprofits to have the people power to deliver programs, services and activities, they need to pay their employees (if they have any) and also cover a variety of other expenses, such as rent, utilities, fees, supplies, information technology, etc. to operate. Over time, expenses are likely to increase as inflation pushes up costs for specific items and as nonprofits have to compete for qualified staff with private businesses and government agencies. We were therefore particularly interested in how revenues, expenses, assets and liabilities had changed.

Changes in Overall Finances. The majority of the nonprofits reported that their revenues and expenses increased over the previous 36 months, while assets and liabilities stayed more consistent.¹⁰ Half reported that their revenues increased, while about a quarter (24 percent) reported that they stayed the same, and about a quarter (26 percent) reported that they decreased (Figure 19). More than half (56 percent) reported that their

Figure 19: Financial changes (n=~194)

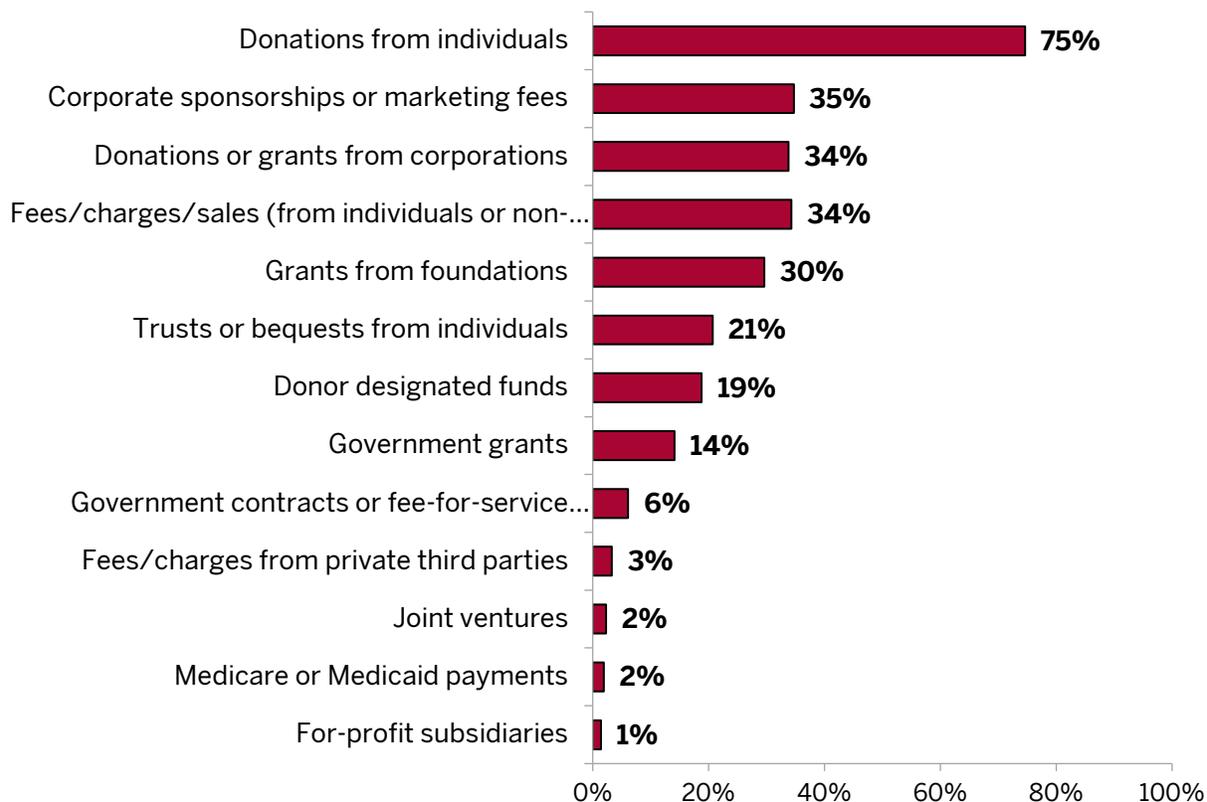


¹⁰ Organizations in the “panel” sample were significantly less likely than those in the “primary” sample to report an increase in liabilities.

expenses increased, while a third reported that they stayed the same, and only about a tenth (11 percent) reported that they decreased. The fact that more than twice as many nonprofits report decreased revenues (26 percent) as decreased expenses (11 percent) and that more reported increased expenses (56 percent) than increased revenues (50 percent) suggests that more nonprofits are operating at or below the margin. However, 39 percent said that their assets had increased over the same period of time.

Sources of Revenues. Nonprofits reported obtaining their revenue from a variety of sources. Three quarters reported receiving donations from individuals, while about a third reported receiving corporate sponsorships or marketing fees (35 percent), donations or grants from corporations (34 percent), fees/charges/sales (from individuals or non-government entities (34 percent), or grants from foundations (30 percent). About one-fifth reported getting trusts or bequests from individuals (21 percent) or donor designated funds (19 percent), followed by government grants (14 percent), government contracts or fee-for-service payments (6 percent), fees/charges from third parties (3 percent), joint ventures (2 percent), Medicare or Medicaid payments (2 percent), and for-profit subsidies (1 percent) (Figure 20).¹¹

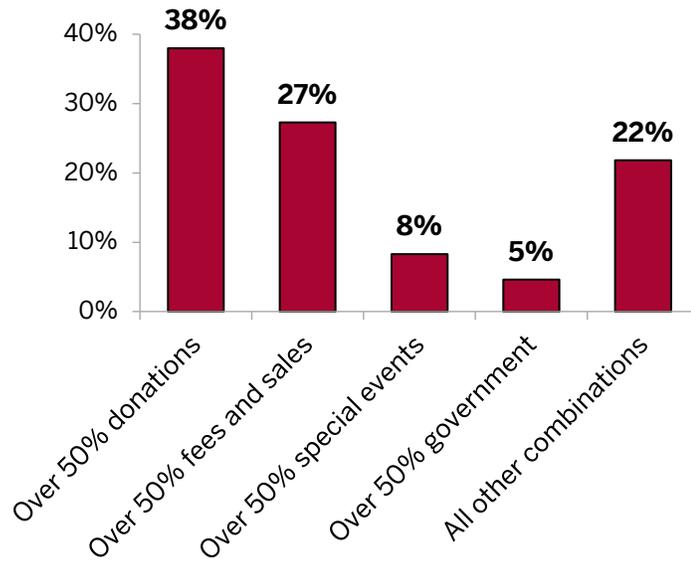
Figure 20: Percent of nonprofits that obtain revenue from various sources (n=213)



¹¹ Organizations in the “panel” sample were significantly more likely than organizations in the “primary” sample to report receiving government grants, trusts or bequests from individuals, donor designated funds, grants from foundations, and fees/charges from third parties.

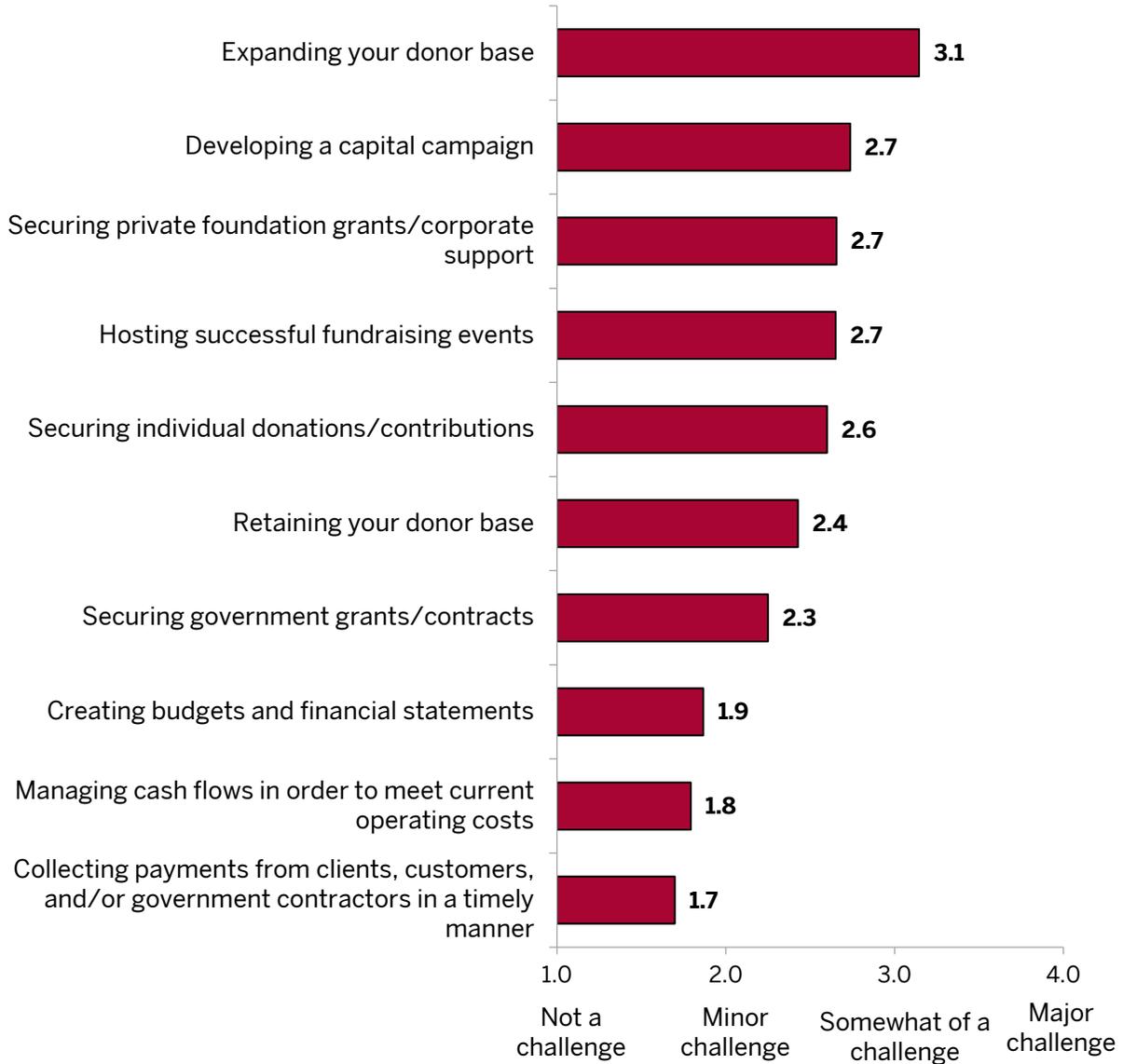
Funding Profile. We also asked questions about the percent of revenues received from major funding sources to determine the resource dependency of responding nonprofits. We created funding profiles based on whether organizations received half or more of their revenues from one of four major sources of funding, or had no source accounting for half or more of total revenues. Dependency on donations is the most prevalent profile with over a third (38 percent) obtaining half or more of their funding from donations and another quarter (27 percent) obtain half or more from fees and sales. Relatively few depend mainly on special events (8 percent) or on government (5 percent) funding. The remaining 22 percent, have a mix of funding sources, none of which account for half or more of total revenues (Figure 21).

Figure 21: Funding profile (n=216)



Financial Challenges. Given indications of stretched resources, we were also interested in exploring the extent to which nonprofits in the Indianapolis region face challenges related to ten specific financial activities. Not surprisingly, respondents reported the most challenges with seven activities related to finding additional resources: expanding their donor base (average score of 3.1 out of 4), followed by developing a capital campaign, securing private foundation grants/corporate support, and hosting successful fundraising events (all 2.7 out of 4). Securing individual donations/contributions (2.6 out of 4), retaining the donor base (2.4 out of 4), and securing government grants/contracts (2.3 out of 4) were slightly less challenging (Figure 22). The three activities deemed least challenging relate mainly to internal financial operations. They include creating budgets and financial statements (e.g., balance sheet) (1.9 out of 4), managing cash flows in order to meet current operating costs (e.g., employee payroll, employee benefits, debt repayment, rent, etc.) (1.8 out of 4), and collecting payments from clients, customers, and/or government contractors in a timely manner (1.7 out of 4).

Figure 22: Extent to which financial activities are a challenge (n=~150)



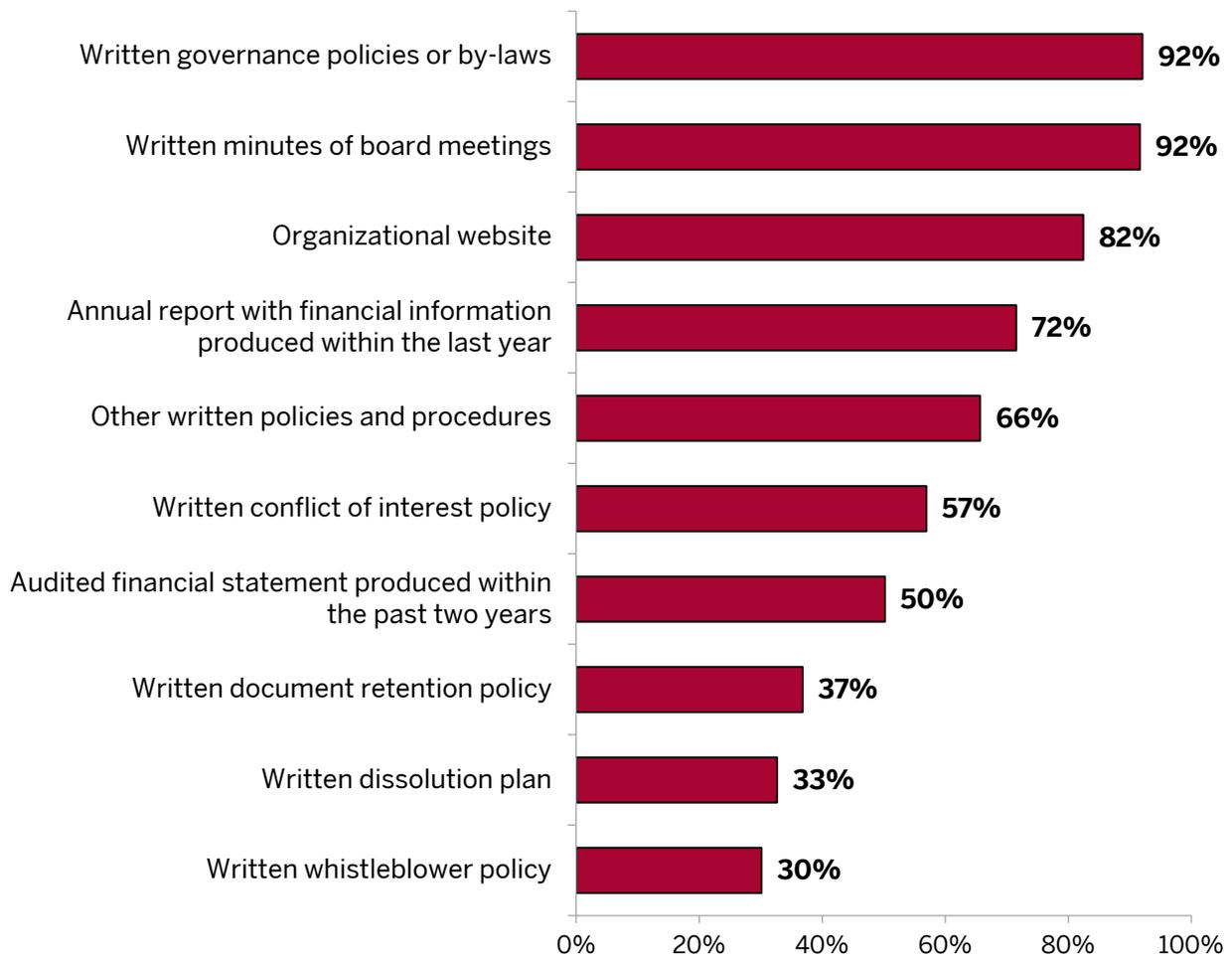
Organizational Components

Having key organizational and management policies in place also help nonprofits fulfill their missions. Our survey asked whether nonprofits had any of ten organizational components that are normally viewed as important for good management and transparency.¹² Almost all respondents report having written governance policies or by-laws (92 percent) and written minutes of board meetings (92 percent). The great majority also have such transparency

¹² Most of these components are included on a check list of policies on the long version of Form 990 that larger exempt organizations are required to file with the IRS on an annual basis (see Section B. Policies on page six, <https://www.irs.gov/pub/irs-pdf/f990.pdf>)

features as organizational websites (82 percent) and/or provide annual reports with financial information produced within the last year (72 percent). Half or more have other written policies and procedures (e.g., gift acceptance policy, confidentiality policy, code of ethics, etc.) (66 percent), written conflict of interest policies (57 percent), and audited financial statements produced within the past 2 years (50 percent). However, only about a third report having written document retention policies (37 percent), written dissolution plans (33 percent), and written whistleblower policies (30 percent) (Figure 23).¹³

Figure 23: Percent of nonprofits that have various organizational components (n=239)



¹³ Organizations in the “panel” sample were significantly more likely to have organizational websites, written governance policies or by-laws, written conflict of interest policies, written whistleblower policies, written document retention policies, other written policies and procedures, and audited financial statements produced within the past two years.

Management Challenges. Along with these organizational components, our survey asked about challenges related to three management activities: creating and implementing a strategic plan for the organization, managing the facilities or space the organization uses, and performing routine administrative tasks indirectly related to mission (e.g., payroll). Respondents reported the most challenges with creating and implementing a strategic plan (2.3 out of 4) and the least challenges with managing facilities or space, and performing routine administrative tasks indirectly related to mission (both 1.8 out of 4) (Figure 24).

Figure 24: Extent to which management activities are a challenge (n=~213)

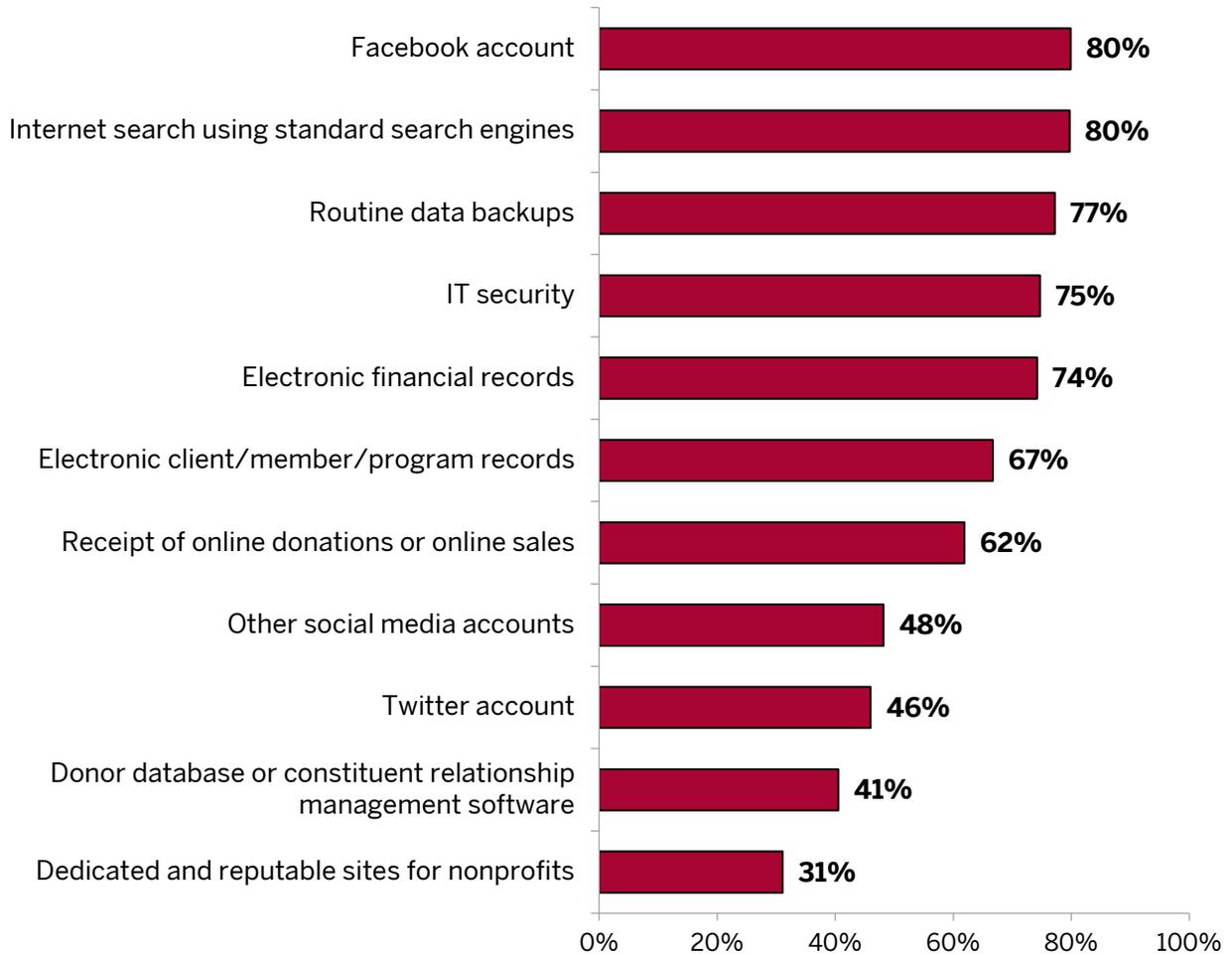


Technology

In addition to the organizational components discussed above, our survey asked how often nonprofits use eleven technology resources. Most respondents report at least occasionally using Facebook accounts (80 percent), Internet searches (80 percent), routine data backups (77 percent), IT security (75 percent), electronic financial records (74 percent), electronic client/member/program records (67 percent), and receipt of online donations or online sales (62 percent). However, other types of technology are used at least occasionally by less than half of the respondents, including other social media accounts (48 percent), Twitter accounts (46 percent), donor databases or constituent relationship management software (41 percent), and dedicated and reputable sites for nonprofits (31 percent) (Figure 25).¹⁴

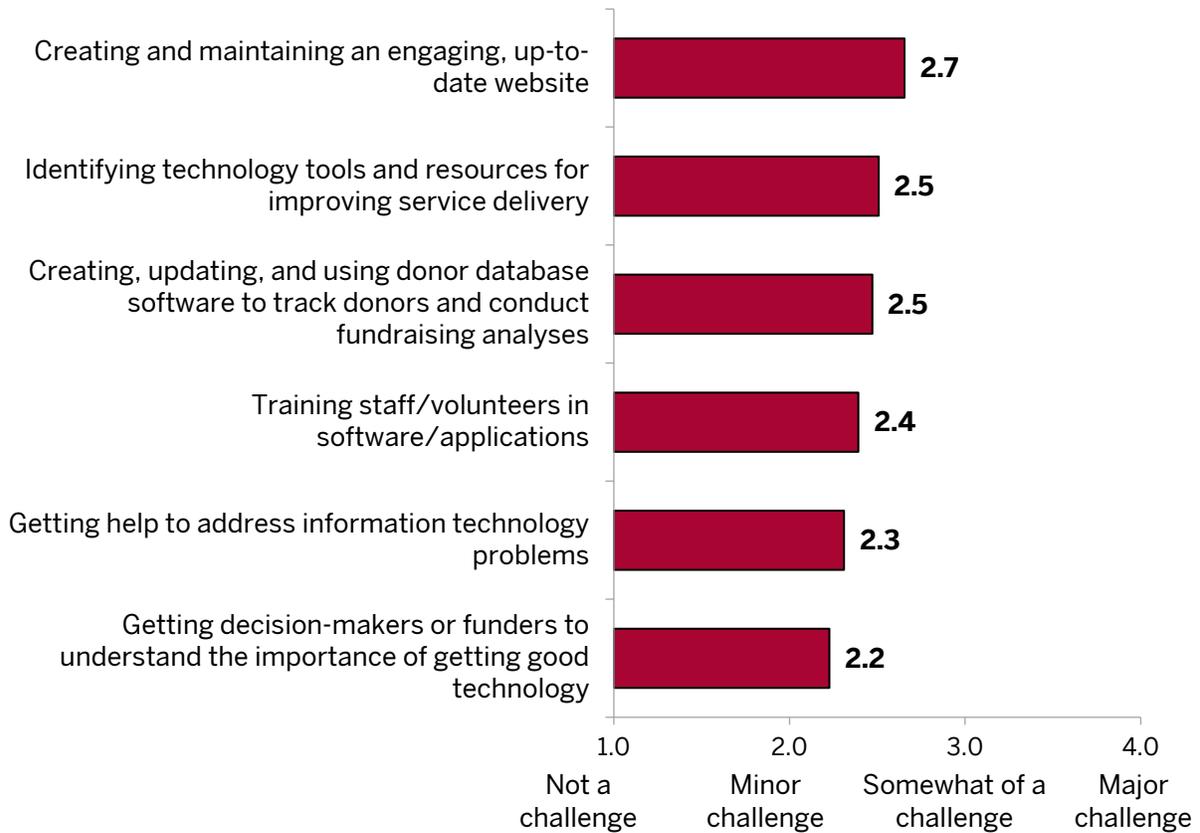
¹⁴ Organizations in the “panel” sample were significantly more likely than those in the “primary” sample to use Twitter, donor database or constituent management software, dedicated and reputable sites for nonprofits, electronic financial records, electronic client/member/program records, routine data backups, and IT security.

Figure 25: Percent of nonprofits that use various technology resources at least occasionally
(n=~225)



Technology Challenges. Our survey asked about challenges related to six technology resources and activities. Respondents report the most challenges with creating and maintaining an engaging, up-to-date website (2.7 out of 4), followed by identifying technology tools and resources for improving service delivery and creating, updating, and using donor database software to track donors and conduct fundraising analyses (both 2.5 out of 4). Challenges were slightly lower for training staff/volunteers in software and other applications (2.4 out of 4), getting help to address information technology problems (2.3 out of 4), and getting decision-makers or funders to understand the importance of getting good technology (2.2 out of 4) (Figure 26).

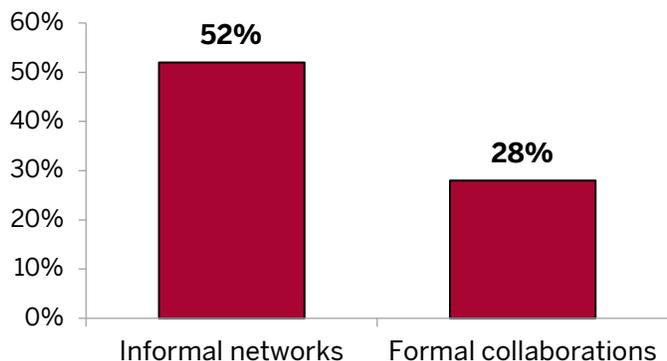
Figure 26: Extent to which technology resources and activities are a challenge (n=~189)



Collaborations and Affiliations

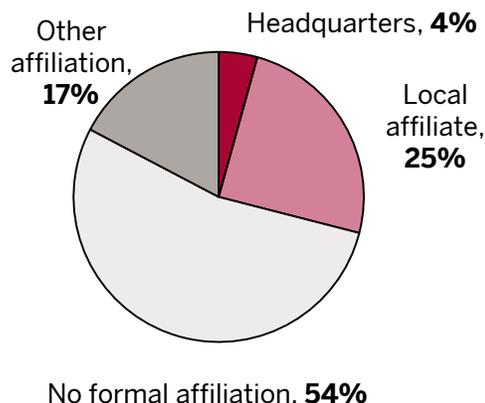
While technology provides useful resources, collaborating with other organizations can be just as helpful. Over half (52 percent) of respondents reported being involved in informal networks, defined as general cooperation or coordination. More than a quarter (28 percent) reported being involved in formal collaborations, such as codified legal, fiscal, administrative, or program-based relationships (Figure 27).

Figure 27: Percent of nonprofits that are involved in informal networks and formal collaborations (n=263)



In addition to these informal networks and formal collaborations, a quarter (25 percent) of respondents report that their organizations were local affiliates of other organizations, and a small percentage (4 percent) report that their organizations were headquarters organizations with local affiliates. Almost a fifth (17 percent) reported having other affiliations, and these affiliations generally fell into the categories of informal networks and formal collaborations (Figure 28).

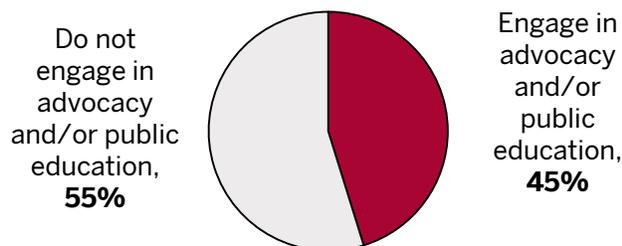
Figure 28: Affiliation (n=255)



Advocacy

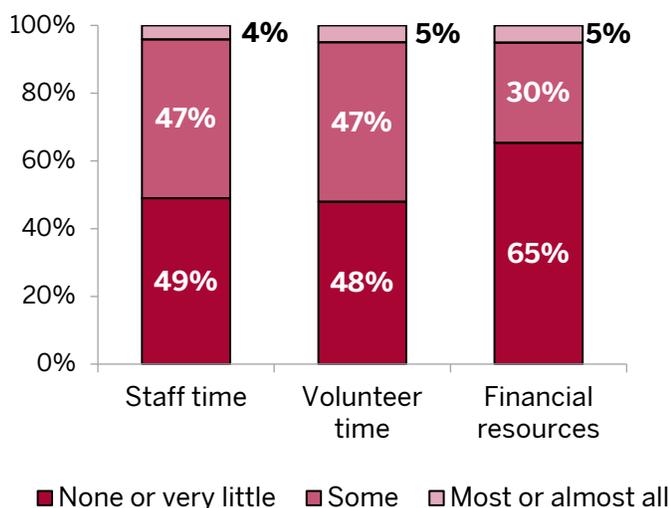
For many nonprofits to achieve their missions, they must engage in advocacy and/or public education activities. Almost half (45 percent) of respondents reported engaging in at least some of these activities (Figure 29).

Figure 29: Advocacy (n=228)



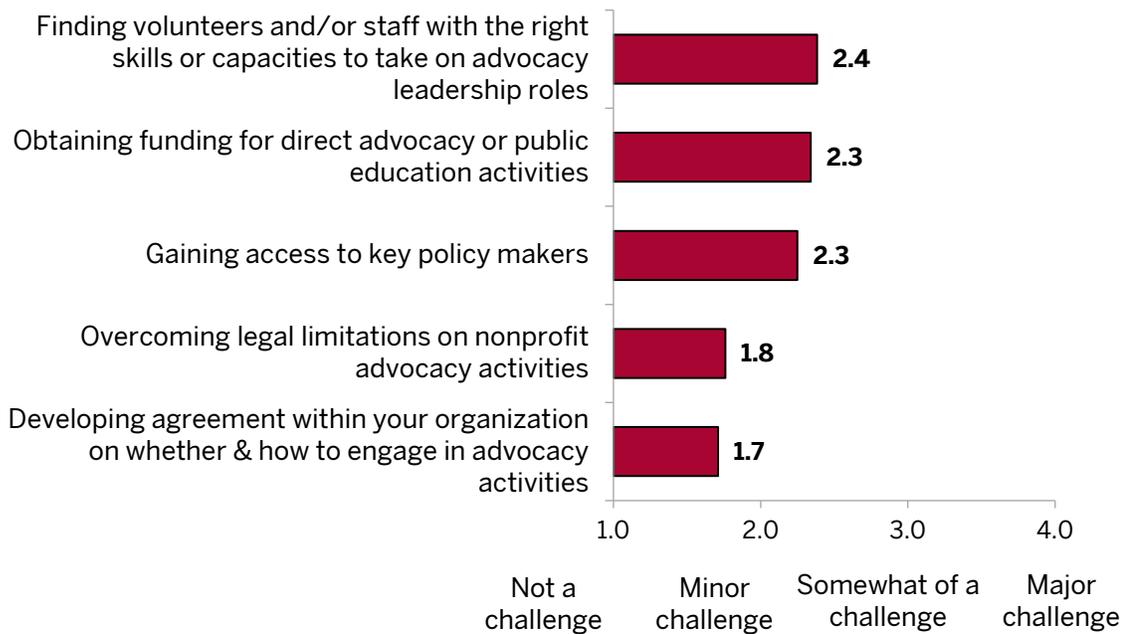
Of those that engage in advocacy, almost half report devoting none or very little of their total staff time or volunteer time to advocacy. However, almost half report devoting at least some of their staff or volunteer resources to advocacy. About two-thirds (65 percent) report devoting none or very little of their financial resources (Figure 30) and another 30 percent say they devote at least some financial resources to advocacy. However, very few (5 percent or less) devote most of their staff time, volunteer time, or financial resources to advocacy.

Figure 30: Resources for advocacy (n=~99)



Advocacy Challenges. Our survey asked about challenges related to five advocacy activities. Respondents report the most challenges with finding volunteers and/or staff with the right skills or capacities to take on advocacy leadership roles (2.4 out of 4), followed closely by obtaining funding for direct advocacy or public education activities and gaining access to key policy makers (both 2.3 out of 4). They report notably less challenge in overcoming legal limitations on nonprofit advocacy activities (1.8 out of 4) and developing agreement within their organization on whether and how to engage in advocacy activities (1.7 out of 4) (Figure 31).

Figure 31: Extent to which advocacy activities are a challenge (n=~59)

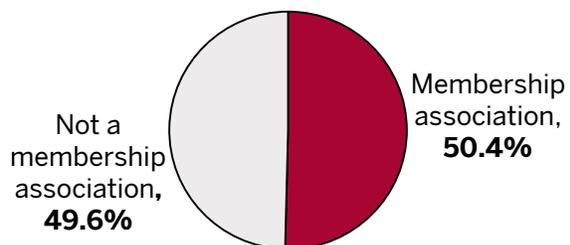


Special Focus Nonprofits

In addition to the topics examined so far, we also asked specific questions pertaining to two special types of nonprofits that are often overlooked in research on nonprofit organizations: membership associations and faith-based organizations. Here we highlight only the prevalence of these two types of nonprofits in the Indianapolis metropolitan areas.

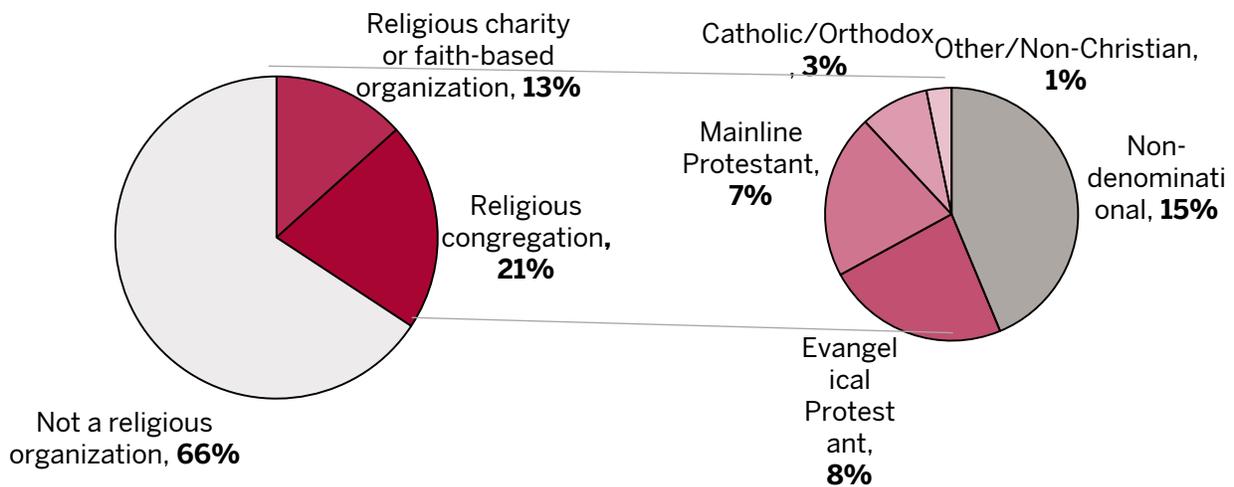
Membership Associations. About half (50 percent) of nonprofits in the Indianapolis Metropolitan Area are membership associations (Figure 32). Those with individuals as members report an average of 11,781 members, ranging from 0 to several hundred thousand. Excluding those with no individual members, the average is 11,991

Figure 32: Membership associations (n=238)



Faith-Based Organizations. Overall, about a third (34 percent) of nonprofits in the Indianapolis Metropolitan Area are faith-based organizations—slightly over a tenth (13 percent) are religious charities or other faith-based organizations, and slightly over a fifth (21 percent) are religious congregations. Protestant denominations make up four-fifths of the faith-based organizations, split about evenly Evangelical Protestant and Mainline Protestant. Another 15 percent are non-denominational or otherwise unspecified denominations. Catholic/Orthodox and other/non-Christian account for the rest (Figure 33).

Figure 33: Faith-based organizations (n=238)



CONCLUSION

The Indianapolis area has a wide variety of nonprofits that are addressing a vast array of issues. While many have important management structures in place to carry out their activities, significant proportions do not. Moreover, as we have shown, many face significant challenges in carrying out even routine activities.

Some of the challenges relate to increased demands for services combined with tight budgets. As our findings show, about half of Indianapolis nonprofits say that demands for their services have increased over the last 36 months and very few say demands have decreased. However, over the same period of time, one quarter say their revenues have decreased, but expenses have only declined for 11 percent. And while half say their revenues have increased, even more say that their expenses have increased.

When asked about financial challenges, activities related to securing revenues have higher challenge scores than those related to managing costs or existing resources. Indeed, nine of the top twelve management challenges relate to financial and marketing challenges (see

Table 1 below). Other types of challenges are more evenly distributed across the challenge scale.

Other issues faced by Indianapolis nonprofits are related to managing human resources. About two-fifths of Indianapolis nonprofits have no paid staff members, but almost all use volunteers (other than board members). And of those that do use volunteers, three quarters say volunteers are essential or very important to their organizations. While the majority of Indianapolis nonprofits with paid staff have key components in place for them, such as position descriptions, training opportunities, written policies, and orientation process, the corresponding percentages having similar resources for board members or volunteers are notably lower.

Other important organizational components or tools are also missing for many Indianapolis nonprofits. While almost all have written by-laws or board minutes, or maintain websites or use Facebook, significant proportions have no recent annual report with financial information, no written conflict of interest policy, or rarely engage in routine data backup, or keep electronic financial resources.

Finally, while most Indianapolis nonprofits say that changes in various government policies have relatively little impact on their ability to carry out their mission, many are engaged in at least some advocacy or public education. However, of these, less than five percent devote most of their staff or volunteer time or financial resources to these efforts.

We hope this analysis is helpful to policy makers, community leaders, and others concerned about the health and vitality of the nonprofit sector in the Indianapolis metropolitan region. To facilitate efforts to develop training and supportive resources, Table 1 below lists all of the challenges we asked about, ranging from most challenging to least challenging (39 in all), Nine of the top twelve relate to financial and marketing challenges.

Table 1. Challenges that nonprofits in the Indianapolis Metropolitan Region are facing (1=not a challenge to 4=major challenge)

Activity	Category	Average response
Expanding your donor base	Financial	3.1
Attracting new members/clients	Marketing	2.9
Enhancing the visibility/reputation of your organization	Marketing	2.9
Identifying the best tools/ mediums for reaching various constituency groups (e.g., mailings, press releases, social media, etc.)	Marketing	2.7
Developing a capital campaign	Financial	2.7
Recruiting & retaining qualified volunteers	Volunteer management	2.7
Securing private foundation grants/corporate support	Financial	2.7

Activity	Category	Average response
Creating and maintaining an engaging, up-to-date website	Technology	2.7
Hosting successful fundraising events	Financial	2.7
Creating effective marketing materials	Marketing	2.6
Securing individual donations/contributions	Financial	2.6
Providing adequate compensation/benefits	Employee management	2.6
Identifying technology tools and resources for improving service delivery	Technology	2.5
Creating, updating, and using donor database software to track donors and conduct fundraising analyses	Technology	2.5
Evaluating or assessing program outcomes or impact	Program and planning	2.5
Retaining your donor base	Financial	2.4
Recruiting & retaining qualified board members	Board management	2.4
Identifying qualified board members	Board management	2.4
Training staff/volunteers in software/applications	Technology	2.4
Finding volunteers and/or staff with the right skills or capacities to take on advocacy leadership roles	Advocacy	2.4
Developing and delivering high quality programs/services	Program and planning	2.4
Obtaining funding for direct advocacy or public education activities	Advocacy	2.3
Creating and implementing a strategic plan for your organization	Management	2.3
Getting help to address information technology problems	Technology	2.3
Recruiting & retaining qualified employees	Employee management	2.3
Assessing & managing volunteer performance	Volunteer management	2.3
Gaining access to key policy makers	Advocacy	2.3
Securing government grants/contracts	Financial	2.3
Getting decision-makers or funders to understand the importance of getting good technology	Technology	2.2
Assessing & managing employee performance	Employee management	2.1
Assessing board member performance	Board management	2.0
Managing/improving board/staff relations	Board management	1.9

Activity	Category	Average response
Creating budgets and financial statements (e.g., balance sheet)	Financial	1.9
Managing the facilities or space your organization uses	Management	1.8
Managing cash flows in order to meet current operating costs (e.g., employee payroll, employee benefits, debt repayment, rent, etc.)	Financial	1.8
Performing routine administrative tasks indirectly related to mission (e.g., payroll)	Management	1.8
Overcoming legal limitations on nonprofit advocacy activities	Advocacy	1.8
Developing agreement within your organization on whether & how to engage in advocacy activities	Advocacy	1.7
Collecting payments from clients, customers, and/or government contractors in a timely manner	Financial	1.7

APPENDIX

Appendix A: Survey Methodology

For our 2002 survey (Round I, and thus our “panel” organizations), we merged three statewide nonprofit database listings – the IRS listing of exempt entities with Indiana reporting addresses, all entities incorporated as not-for-profit entities with the Indiana Secretary of State (SOS), and Yellow Pages listings of congregations, churches, and similar religious organizations. We also added nonprofits appearing on local listings in selected communities across the state and those identified by Indiana residents through a hypernetwork sampling approach as nonprofits for which they worked, volunteered, or attended meetings or events, including religious services. We then de-duplicated the merged listings and drew a stratified random sample in order to consider and adjust for differences in distributions by geographic location and source of listing.

Sample Preparation. For the new 2017 “primary” round III sample of Indiana nonprofits, we relied exclusively on the same three statewide listings of Indiana nonprofits as in 2002, but used a simplified sampling strategy. After combining the three most up-to-date listings, we first removed nonprofits that were ineligible for our study. These included but were not limited to hospitals, colleges/universities, bank-managed trusts, jails, and school building corporations.

We then de-duplicated the three listings (both within and between the listings) using search algorithms. Nearly 14,000 duplicate entries across lists were removed during this phase of sample preparation. While it was not possible to remove all duplicates prior to sample selection, we believe that the de-duplication activities substantially reduced the problem of duplicate entries within and across lists. Ultimately, we ended up with a list of 59,833 nonprofits in Indiana from which we selected our sample.

To help ensure generalizability from the sample results, we drew a proportionately stratified sample from the combined list of 59,833 organizations from the IRS, SOS, and Infogroup (yellow page) listings. The stratification variables were an 8-category set of Indiana geographic regions (all three listings), filing date (SOS only), and NTEE major code categories (IRS only).

After the sampling was completed, we had a random sample of 4,103 nonprofits who received the survey invitation: 2,336 from the IRS listing (57 percent), 1,394 from the SOS listing (34 percent), and 373 from the Infogroup listing (9 percent). As part of our process to secure contact information, we also back-checked entities appearing on only one of the three listings in the sample to see whether that particular nonprofit was also included on any of the two other listings, just not included in the sample from the given list.

Next we needed to find contact information, preferably email addresses, in order to invite survey participation. Of the 4,103 nonprofits in the full sample, the available listings provided email addresses for only 35. To obtain the rest, we undertook extensive web

searches. In the end, we had an 80 percent success rate in obtaining the correct organizations' contact information, spending an average of almost 13 minutes per organization or about 873 hours.

Survey Process. In preparation for the survey, we sent notifications (postcards and also emails for the approximately 75 percent for whom we had email addresses) to potential respondents. This served both to alert them to the forthcoming survey, with the hope of encouraging participation in the survey, and to identify problematic email (or postal) addresses. After the survey invitations were sent (via email with a survey link or postal mail with a paper questionnaire), we sent several reminders to those with emails. The survey took on average 25-30 minutes to complete and gathered information about programs and services, organization membership, organization structure and program evaluation, human resources, marketing and technology, advocacy and policy activities, relationships with other organizations, and financial information. The vast majority of surveys were completed online, but about 60 were completed using the paper version of the survey.

In addition to promising respondents complete confidentiality, as a special incentive to complete the survey, we offered respondents access to customized reporting of the results. We included also a link to the study website, so respondents could learn more about the project, as well as prominent reference to and identification with Indiana University to emphasize the academic sponsorship. Finally, we asked members of our Advisory Board for the Indiana Nonprofit Sector project to announce the survey to nonprofits on their distribution lists and encourage anyone receiving the invitation to complete the survey to do so.

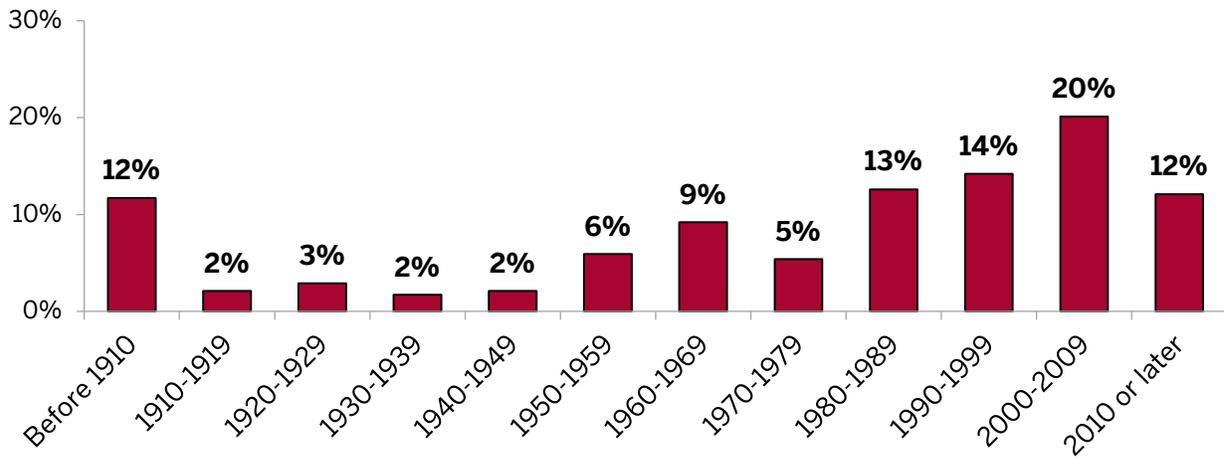
As expected, however, initial response rates were low (especially to the paper survey) and we began an extensive follow-up by making nudge calls to encourage (including those for whom we had no email addresses). We limited the nudge call process to a maximum of three calls per organization depending on the status of the calls. For organizations that we left voice mails for, we continued calling at least a week after each voice mail until we had left three voice mails. We stopped calling organizations that asked us to resend the survey or said they would complete the survey through the original email.

To determine response rates, we used information obtained through our data preparation and nudge call processes to create a disposition variable for each nonprofit in the sample: (1) response (complete or partial), (2) confirmed contact (but no response), (3) uncertain contact (no working phone number or no response to voice mail), or (4) out of sample.¹⁵ Our overall response rate is based on the number of respondents as a percent of the full sample, excluding the "out of sample" group from the base.

¹⁵ The "out of sample" group includes nonprofits that were out of scope for the survey (e.g., universities, school corporations, hospitals), no longer located in Indiana, known to be out of existence, or presumed to be dead because we could not find any contact information anywhere. If the "presumed dead" are redefined as "uncertain contact", the response rate drops from 24 percent to 20 percent. It was only 7 percent for the paper survey by itself.

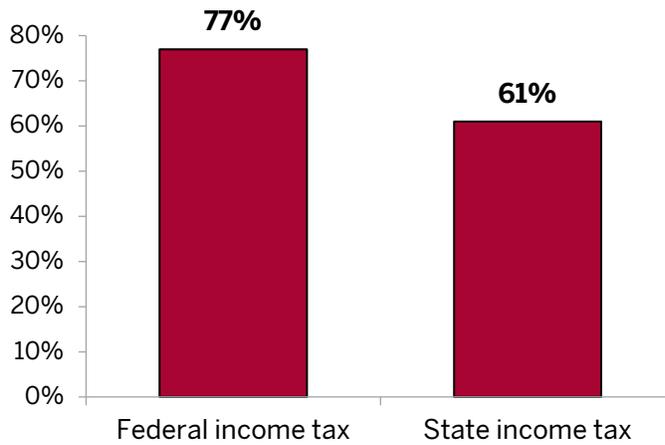
Appendix B: Additional Graphs

Figure 34: Year founded (n=239)



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Figure 35: Eligibility for Tax-Deductible Donations (n=263)



¹⁶ Organizations in the “panel” sample were significantly older than those in the “primary” sample.

Figure 36: Grant-making and financial support (n=242)

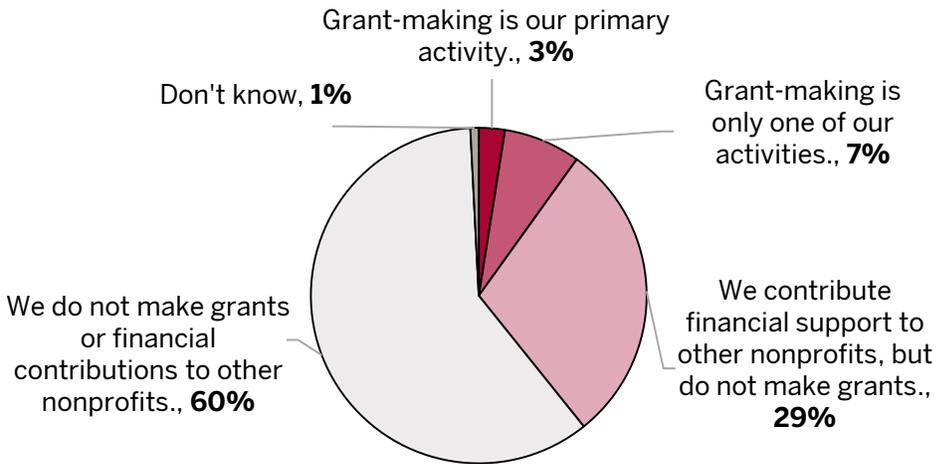
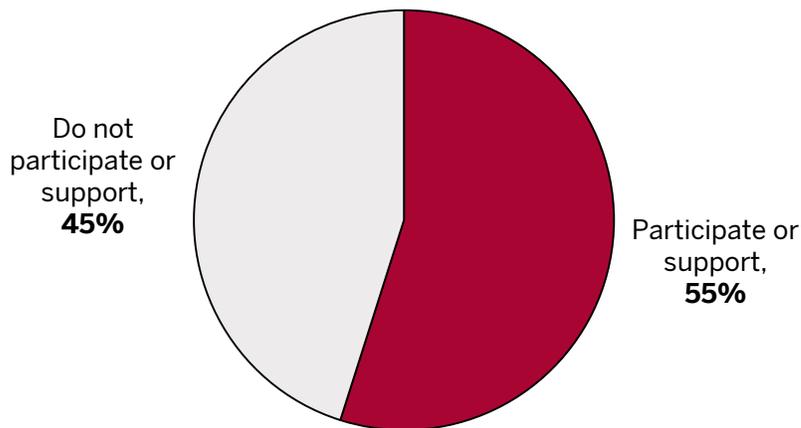


Figure 37: Participation in or support of social service, community development, or neighborhood organizing projects (n=237)



Appendix C: Overview of the Indiana Nonprofits Project

Since 2000, the **Indiana Nonprofits Project: Scope and Community Dimensions** has produced a substantial body of research about the nonprofit sector in Indiana: its composition and structure, its contributions to Indiana, the challenges it faces, and how these features vary across Indiana communities. The goal of this collaborative research effort is to help community leaders develop effective and collaborative solutions to community needs and to inform public policy decisions.

The project is directed by [Kirsten Grønbjerg](#), Efroymsen Chair in Philanthropy at the [Lilly Family School of Philanthropy](#) (LFSOP) and Professor, [School of Public and Environmental Affairs](#) (SPEA), Indiana University Bloomington. It has benefitted greatly from the advice and support of the Project's distinguished [Advisory Board](#),¹⁷ the contributions of almost 90 SPEA research assistants – undergraduate, masters, and doctoral students – and financial support as described in the Acknowledgements on page 1.

The project's major components include:

[Surveys of Indiana nonprofits](#). This component includes four surveys of Indiana nonprofits:

- Round I: Comprehensive survey of Indiana nonprofits (2002) in collaboration with the IU *Center for Survey Research* (CSR); 7 statewide reports on special topics and 12 regional reports on the nonprofit sector in selected communities across the state.
- Round II: Two surveys on nonprofit capacity and management challenges, including a survey (2007) for the *Indiana Philanthropy Alliance* and the *Lumina Foundation for Education* (1 report) and a more extensive survey (2010) for the *Indiana Arts Commission* (2 reports).
- Round III: Comprehensive survey of Indiana nonprofits (2017) in collaboration with the CSR is currently being analyzed and is the basis for this report.

[Trends in paid nonprofit employment in Indiana](#). This component, undertaken in collaboration with the *Indiana Business Research Center* (IBRC), includes analyses of trends in paid nonprofit paid employment over time by industry and with comparisons to paid employment in the private and government sectors.

- Statewide trends in paid nonprofit employment by industry and sector (5 reports)
- Statewide trends in paid nonprofit employment for in selected industries (6 reports)

[Community reports](#). This component focuses on the scope and composition of the nonprofit sector in communities across the state:

- Featured community reports for 7 metropolitan regions and 5 non-metropolitan counties across the state, including size and composition of the nonprofit sector and profiles based on Round I survey of Indiana nonprofits (2002)

¹⁷ See <https://nonprofit.indiana.edu/AboutTAB/index.html>

- Regional trends in paid nonprofit employment by industry with comparisons to private and government sector employment: Metropolitan Areas and Economic Growth Regions (2007) and the Fort Wayne Metropolitan area (2015), in collaboration with *IBRC*.
- County reports on nonprofit paid employment 1995-2009 for Indiana counties with a population of 50,000 residents or more (29 reports), in collaboration with *IBRC*.

Surveys of local government officials: This component is based on surveys of Indiana local government officials (LGOs) on topics of special interest to Indiana nonprofits in collaboration with the *Indiana Advisory Commission on Intergovernmental Relations (IACIR)*.

- PILOT/SILOT policies: attitudes towards requiring charities to provide payments (or services) in lieu of real estate taxes (PILOTS/SILOTS), 4 reports.
- Trust in Nonprofits: 2 reports.
- Government-nonprofit relations: 3 reports.
- 2-1-1 information and referral services: 2 reports.

Special topics. Several smaller projects have been completed in response to major national policy initiatives, as extensions of project components described above, or as special opportunities presented themselves.

- Overtime pay regulation: the likely impact on Indiana nonprofits by changes in the Fair Labor Standards Act (proposed 2016) on overtime pay for exempt employees,
- IRS Exempt Status Initiative: the impact of major changes in IRS reporting and compliance requirements mandated by the Pension Protection Act of 2006.
- Two surveys of Indiana residents conducted in collaboration with the *CSR*. This includes a 2001 survey on affiliation and involvement with Indiana nonprofits in preparation for Round I survey of Indiana nonprofits, and a 2008 survey on trust in nonprofits in collaboration with *CSR*.
- Comprehensive database of Indiana nonprofits, initially completed in preparation for Round I survey of Indiana nonprofits, now hosted by the *IBRC*.

For a full description of the project and access to all project reports, please visit <https://nonprofit.indiana.edu>.